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NATIONAL DRUG INTERDICTION EFFORT

HEARING

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

SPECIAL HEARING

Department of Defense
U.S. Air Force
U.S. Navy

Department of Transportation
U.S. Coast Guard

Nondepartmental Witnesses

Printed for the use of the Committee on Appropriations

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NATIONAL DRUG INTERDICTION EFFORT

WEDNESDAY, JULY 30, 1986

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
SUBCOMMITTEE ON DEFENSE,
Washington, DC.

The subcommittee met at 9:30 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Andrews, Kasten, and D'Amato.

NONDEPARTMENTAL WITNESSES

OPENING REMARKS OF SENATOR D'AMATO

Senator D'AMATO. The subcommittee will come to order.

Senator Stevens, the chairman of the subcommittee, has been delayed. He has asked me to proceed. I will submit Senator Stevens' opening statement for the record as if read in its entirety.

[The statement of Senator Stevens follows:]

OPENING STATEMENT OF HON. TED STEVENS

U.S. SENATOR FROM ALASKA

The subject of today's hearing is the Department of Defense involvement in the national drug interdiction effort. The Reagan administration has established an intergovernmental program, under the direction of Vice President Bush, aimed at curtailing the flow of illegal drugs into the United States. Both the Coast Guard and the Department of Defense are critical to its success.

For the past several years this committee has supported these efforts by redirecting certain Defense Department assets, where appropriate, to support intergovernmental drug interdiction actions. In fiscal year 1986 alone, more than $300 million was provided in the Department of Defense Appropriations Act for the Coast Guard and other Federal agencies for defense-related equipment purchases and to support other initiatives combating illegal drug traffic.

The focus of today's hearing will be to explore the Defense Department's work with the Coast Guard in drug interdiction. One such program is the Tactical Law Enforcement Teams. This program stations Coast Guard personnel on naval vessels to arrest drug smugglers. Last year, $15 million was appropriated in the Defense bill to support an expansion of this program. We will be examining how these funds have been used.

This hearing will also explore whether funds have been included in the President's request for fiscal year 1987 to support the drug interdiction program.

With that, I welcome today Adm. Paul A. Yost, the Commandant of the Coast Guard; Rear Adm. William T. Pendley, Director of the Navy's Strategy, Plans and Policy Division; and Col. Harvey G. Pothier, the Acting Director of the Defense

Department Task Force on Drug Enforcement. Gentlemen, your complete statements will be submitted for the record. if you would kindly highlight your remarks.

U.S. COMMITMENT TO WAR ON DRUGS

Senator D'AMATO. First I would like to thank Senator Stevens, chairman of the Appropriations Subcommittee, for holding this important hearing, important and timely, on today's military role in the war against drug trafficking.

We talk about a war on drugs, but the only real war being waged is one that the drug dealers are waging against our children. The drug dealers are killing our children, and we are not fighting back in the committed way that we must. We are not using the military to the extent that we should.

Today's hearing will address only one aspect of what must be a complete mobilization against drugs, in our schools, in our workplace, and in our courtrooms. Our failure is a tragic one. It is undermining people's trust in Government. It erodes the most basic fabric of society, the rule of law. The Government's first responsibility is to protect its people and when it fails in that, it fails in everything.

NAVY AND COAST GUARD INVOLVEMENT

Last year Congress passed legislation mandating broad new powers for the military, primarily the Navy, to stop, search, and arrest suspected drug smugglers anywhere on the world's seas. The House-Senate conference provided $15 million to fund 500 active duty Coast Guard personnel to be assigned as 100 five-man teams to search Navy vessels at sea.

These law enforcement detachments have the power of arrest, search, and seizure. These five-man Coast Guard teams working on Navy ships can deter and interdict drug smuggling if the mission is carried out.

Mr. Chairman, I am concerned that the intent of the law is not being implemented. I note that the report on this very program that was due on July 4 has not been released, even though it is apparently finished.

Although I understand the Defense Department's concern that extensive drug interdiction efforts may detract from military readiness, the Pentagon must realize that drug interdiction is the most serious national security issue we have in the United States. Nothing is more important than we begin a real and concerted war against drug trafficking.

So, Mr. Chairman, I again thank you for calling this hearing. I know that our first witness, the distinguished Ambassador from Bolivia, probably has some very interesting news for us and for the people at large.

Senator STEVENS. Thank you very much, Senator D'Amato.

INTRODUCTION OF AMBASSADOR ILLANES

Our first witness is Ambassador Fernando Illanes, Bolivia Ambassador to the United States.

Mr. Ambassador, we welcome you here this morning and for taking time to be with us.

U.S. Ambassador From Bolivia

STATEMENT OF HON. FERNANDO ILLANES, U.S. AMBASSADOR FROM BOLIVIA

NARCOTICS PROBLEM IN BOLIVIA

Ambassador ILLANES. Thank you, Mr. Chairman.

Ladies and gentlemen, I just arrived late last night from Bolivia, so that I can assure you whatever I say here is fresh news.

Perhaps I should indulge a few minutes of your time in describing very briefly the situation in my country in regard to narcotics.

Bolivia, as you very well know, is a very poor country that has suffered the worst economic crisis in its history in the last 4 years. We have reached the unheard-of figure of 40,000 percent inflation per year, a drop of our exports from $1.5 billion to $500 million this year because of the drop in prices of our raw materials and corresponding increase in the cocaine trade of unheard-of proportions.

In this situation the present government took office in August of last year, a second democratic period in recent times. Bolivia has, I hope, entered a democratic period of its history which is being threatened at this time, unfortunately, by narco traffic.

DIFFICULTY FACING BOLIVIAN GOVERNMENT

Since then my government addressed three very large and difficult problems: Hyperinflation, our financial problems, and drugs.

To this date we have fortunately controlled our economic problems and hyperinflation is, believe it or not, down to zero for the last 25 weeks.

The financial problem has been resolved in the Club of Paris discussion with our creditor countries. We have come to an agreement with the International Monetary Fund and within the next few weeks we will be negotiating our debt with the private banks.

Now that we have gone over these two large hurdles, we are addressing ourselves head on to the narcotics problem.

The three largest problems that we had, this government is doing something about it. It has shown its seriousness, its purposeness, its will to fix our country. The recent raids on narco trafficking with the help of the U.S. Armed Forces is nothing more and nothing less than the result of our desperation, of our anguish, of doing something effective against narcotics.

You very well know that there are many programs that have been tried to implement it, but never were successful because as far as we are concerned, we are not addressing the problem correctly. We have in narco traffic in Bolivia a vast problem where the results, the economic results, are far greater than our normal legal exports. Therefore, narco traffickers have, to all extents, an economic power greater than our normal economy.

Our president has recently said in the press that it is not far-fetched to think that in the next elections democratically, freely, the narcotics

people could sway the elections to elect a person to their liking. Therefore, it is a must that we have to declare war, we have to fight narcotics in any possible way.

To this I would like to add that the United States has to make the same decisions we have made and back us in any way that they can to be able to make some progress against this terrible plight that we have in our society.

Perhaps if anybody has some questions about the particular operation, I will be delighted to illustrate to you with information or facts, specific facts about this operation.

Senator STEVENS. Mr. Ambassador, I am delighted you are here. As I indicated, all of us congratulate you and your country for being willing to face up directly to this fantastic increase in traffic and the action you have taken with the help of some of our people. I hope we will prove to be successful in trying to stem that tide.

Senator, do you have questions of the Ambassador?

Senator D'AMATO. Yes; thank you, Mr. Chairman.

POSSIBLE INFLUENCING OF ELECTIONS BY DRUG TRAFFICKERS

Mr. Ambassador, I think it is important to note what you have said. You have indicated to me privately and again you have now said it publicly that one situation that we face due to the tremendous economic power that the drug traffickers are achieving, is that they could by way of the democratic process conceivably finance in an election the candidates who would be very sympathetic to their undertaking.

Is that a fair statement?

Ambassador ILLANES. That is correct, sir.

Senator D'AMATO. How great a concern is that to you and your country?

Ambassador ILLANES. I think that the problem we suffer in Bolivia is a problem perhaps greater than the one you have in the United States because drugs have permeated our society. Drugs are affecting our families. Drugs are affecting our children. They are destroying our traditions. They are destroying our institutions.

If we do not do something about it, we will stop existing as a democratically free country and will be transformed into a narco trafficking country legally. Therefore, it is this situation that has led my government to take a very courageous decision, a decision that carries a lot of political problems, to ask the United States for help to carry out these operations and to help our police force to deploy themselves to the sites where the factories are.

CROP DESTRUCTION

Senator D'AMATO. One of the questions people have continually raised, Mr. Ambassador, is why raze the laboratories as opposed to, let us say, the crops themselves?

I think it is important that we attempt to place that in its proper perspective.

Ambassador ILLANES. Yes, sir; you must realize that any business, despite being illegal, narcotics has a system, narcotics has a structure. It starts with the production of the leaf and it ends in consumption in societies like yours. Both ends are very vast, involve a large number of people, are very disseminated.

I like to use the simile of a sand hourglass where you have a broad top and broad bottom and a very narrow in-between place. This is what we are attacking. We are attacking the place where the sand can be stopped. We are attacking the place where the drugs are fabricated, where the number of people involved are less and where the operations can be accomplished faster, quicker, and cheaper.

SUCCESS OF U.S.-BOLIVIAN RAID

Senator D'AMATO. Mr. Ambassador, can you give us an update with respect to what the success has been of the program and also comment on the fact that there are those who are critical in terms of the information being made public as to how that did or did not take place, what could have been done to avoid that, and what in the future will be done if there will be continuing operations?

Ambassador ILLANES. Before going into details, let me say that my government considers this operation a success, a success because it has achieved many things.

First of all, we have interrupted the flow of cocaine outside the country. We have interrupted the process of transforming the leaves into drugs. We have disrupted the manufacturing flow. Therefore, as a net result, immediate result of this, as I am sure you have seen in the press, the availability of the cocaine in the streets of Bolivia, the base, has decreased dramatically.

The price of cocoa leaves has dropped to less than half of what it was 2 weeks ago and indirectly I think that if we can keep up with this type of action, we will convince the farmers to leave, to abandon the cultivation of cocoa and switch their land to crops, to something healthier and better for society.

The other success that we have had is that we are definitely sending a very strong message to our community, to the drug traffickers and to the international community, that this government is taking a firm stance and is declaring an all-out open war on narcotics.

We certainly hope that the U.S. Government will support this courageous and dangerous decision, will support it in every way they can in order to make it a bigger success than it has been to this point.

Since this operation, this series of operations is nothing more than one part of an overall encompassing plan to fight narcotics.

To be very precise, to date we have had 12 raids of which 2 have been successful. The operations are to last for 60 days. Therefore, if we are to judge these operations by the amount of cocaine or the number of factories that we find, I would say that we are missing the point because this was not the purpose of the operation.

The purpose of the operation was to interrupt the flow of cocaine, to decrease the price of leaves, to try in some way to increase the price of cocaine here in the United States so that its use will be restricted. I think we have been very successful in the first two points and certainly we have sent a loud and clear message to the international community.

POLITICAL RISKS IN BOLIVIAN WAR ON DRUGS

Senator D'AMATO. Mr. Ambassador, you mentioned the political risks associated with this operation, those political risks to your country that the leaders have undertaken.

Would you care to expand on that?

Ambassador ILLANES. Yes, of course. Narcotics are very well known to be connected with terrorism. Most of the leftist guerrillas, if not all, in Latin America, are financed by the narcotics activity. Therefore, if we start pressuring narco traffickers, I am sure they will do whatever is within their means to destabilize my government and try to have it changed by force or any other means.

It is a danger, a necessary danger, that we have to face. Certainly this government has the strength to face it and it is a calculated risk we have to take. You hear all types of opposition in Bolivia, obviously, from interested people and from the extreme Communist parties because in Bolivia we certainly have every gamut of Communist you can think of that are inimical to the image of the United States and they continually oppose any rapprochement with the United States on the part of my government.

Senator D'AMATO. Two other quick points, Mr. Ambassador.

LEGISLATIVE ACTIONS PROPOSED BY BOLIVIAN GOVERNMENT

First of all, I take it we are talking about one operation spanning 60 days. We are really talking about a further commitment, a continuing commitment, as it relates to your government's attempt to undertake a comprehensive effort at controlling cocaine production and distribution.

You have indicated to me that there is a series of legislative actions which your Congress will be undertaking this coming month in August.

Would you care to expand on that for the committee?

Ambassador ILLANES. Yes, Senator.

As I said, these raids are nothing but one small part of a long-range plan, long-range operation, of an all-out war that is going to take many, many years and many millions of dollars to accomplish. We certainly need to continue this type of operation.

We need to start other types of attacks against narcotics and for that we need massive support from the U.S. Government. We wish, for instance, that the equipment that is down there could be left in any way possible and train our soldiers, train our police to handle that equipment so that we can carry on all the interdiction and eradication operations because we do not dispose of the type of equipment that you have brought down to Bolivia to accomplish this purpose.

We are feeling very strongly the effects of having disrupted the flow of cocoa dollars in Bolivia. The demand for dollars in the Central Bank has raised from an average of $1.2 million per day to over $4 million per day in the last week. This is causing a great disruption in our balance of payments situation. It is disrupting our reserves, our dollar reserves, and if it continues, we should be with zero reserves in less than 2 months.

Therefore, we are requesting the U.S. Government to offer us or to see their way to give us a bridge loan of approximately $100 million until the end of this year, a bridge loan that would be substituted with project loans that we are presently working in IDB and the World Bank.

So that any support of this type that we can get from the U.S. Government is certainly welcome and will allow us to continue with our work against narcotics.

I have in my hands, but unfortunately I cannot make public, the basic draft for the plan against narcotics. This is something that was finished yesterday in Bolivia, rather the day before yesterday. It was handed to me at 4 o'clock at night. It will be published shortly after it has gone through the different clearances in the government.

So, it is a fact. We have a plan and as part of this plan we are sending a law to Congress next month when it convenes on August 8 or 9 making it illegal to haul, to possess, to sell, to transport, all the aspects of the drug trafficking.

We are also defining those areas that are traditional and nontraditional in the growth of cocoa leaves to implement further legislation with respect to the growth of the leaves.

BROAD-BASED APPROACH TO FIGHT DRUG TRAFFICKING

Senator D'AMATO. Mr. Ambassador, a final point.

You and I discussed that Bolivia's actions, this initial undertaking, in a more comprehensive battle against drug production and distribution will amount to little, if anything, if we, the United States, fail to turn our attention not only to our own domestic consumption and our education programs to prevent the use of drugs, but also to a broader scale in the international area dealing with other countries, Colombia, Peru, Mexico, all of which that can be and have been used by the drug traffickers.

It would seem we need a broad-based approach, multilateral, international in scope, in order to successfully bring about the kind of efforts that your country is undertaking now.

Ambassador ILLANES. Definitely, sir.

We proposed 2 months ago in Rio de Janeiro in a meeting with OAS regarding narcotics to form a multinational commission to study this problem and find possible solutions.

In very few words, Senator D'Amato, I think that the United States has to take the same decision that my government has taken, an all-out war on narcotics. This is the type of position, this is the type of stance

that all the producing countries and all the consuming countries have to do jointly.

It is an international problem. We must internationalize the solution; otherwise, there will not be any possible solution.

Senator D'AMATO. Thank you very much, Mr. Ambassador.

Thank you very much, Mr. Chairman.

Ambassador ILLANES. Mr. D'Amato, I would like to thank you for your interest in this matter and request these two recent articles in today's Washington Times and Sunday's Washington Post be included in the record because I think they are very good summaries of the situation.

Senator STEVENS. We will be happy to include those in the record, Mr. Ambassador.

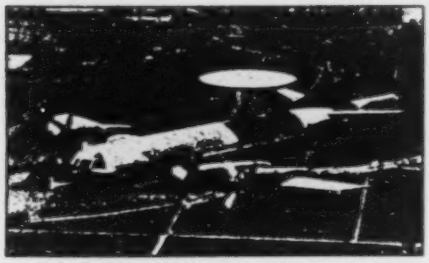
[The information follows:]

Weapons/Research

Customs Service Needs Airborne Radar to Stem Drug Traffic—Orion or Hawkeye?

by Charles D. Odorizzi

The estimates of private and government sources vary, but it is generally agreed that there are 6,000 to 7,000 illegal penetrations of US airspace by drug-laden aircraft each year, and only a fraction of them (maybe 300, less than 5%) are successfully interdicted. During the last six months of 1985, for instance, more drugs washed ashore in the US in plastic bags or other containers than were intercepted aboard boats caught by the US Coast Guard or US Customs Service, a government source told *AFJ*. The Customs Service, concerned and fully aware of its limitations in halting airborne smuggling, is desperately searching for a solution. Early this year the Department of Defense, under pressure from Congressional staffers, recommended that Customs acquire the Lockheed P-3 Orion and fit it with a sophisticated 360° radar system (APS-125 or APS-138) to better patrol drug infiltration routes.



P-3 Orion equipped with a prototype radar rotodome

The US Navy has been using the P-3 since 1962, principally as a long-range maritime patrol aircraft. The Navy reconfigured some of the Orion airframes to serve as weather surveillance craft (WP-3A) and as executive transports (VP-3A), but it never redesigned the P-3 to accommodate the radar system recommended to Customs. In fact, in a June 12th letter criticizing the proposal to convert the P-3, Rep. Thomas Downey (D-NY) advised Secretary of the Treasury James Baker "that there has been no functional demonstration of any P-3 360° radar system either to the US or any foreign government, nor is any such demonstration imminent." Lockheed, however, advised *AFJ* that it has submitted proposals to both the UK Royal Air Force and the Royal Australian Air Force for the installation of GE 360° radar on the P-3.

The Customs Service has nearly two years' experience with the Orion. Four P-3s fitted with Hughes APG-63 120° radar systems were transferred (one in Fiscal Year 1984 and three in FY85) from the Navy's excess but serviceable stocks. The APG-63 forward-looking radar component of the McDonnell Douglas F-15 Eagle is an excellent radar for the high-altitude fighter air-intercept missions for which it was designed, but less capable in the smuggler-detection environment. With only a 120° field of view, P-3s patrolling the Gulf of Mexico, for instance, fly a northern route slowly to detect drug traffic, but then must return south at maximum speed in order to turn north again in time to maintain surveillance and to vector intercept aircraft on a target.

Installed in a Customs' Merlin aircraft, the APG-63 did not perform very well over land either, principally because in the mountains of the southwestern US, about 73% of the infiltration routes are masked by terrain. A 1984 Operational Evaluation conducted by the Navy for the Treasury Department found that the P-3 was neither "operationally suitable" nor "operationally effective" in its interdiction role for Customs. In the same year another Treasury study concluded that the Grumman E-2C Hawkeye fulfilled the requirements of the Customs Service for an airborne radar surveillance system. Although the P-3 has an on-station time of over 10 hours and the E-2C can patrol for only about five hours, the E-2C requires no redesign or modification of any type as it is already equipped with the APS-125 or the newer APS-138, both General Electric 360° systems.

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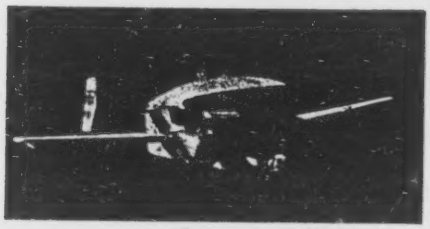
While few would argue against the necessity for Customs to have a capability for 360° radar coverage, several civilian as well as military experts have questioned the wisdom of converting the P-3 platform to accommodate a 360° radar when the E-2C is ready and available.

Criticism has centered around the high estimated nonrecurring engineering expenses (for instance, the stabilizer and propellers of the E-2C are constructed



Grumman E-2C Hawkeye

essentially of fiberglass to eliminate interference with its radar, while the tail and propellers of the P-3 are made of metal); the cost of conversion; the several years of delay before the system would be in service and fully operational; and the need to develop an entirely new maintenance support base for the hybrid system.

Another ramification of the proposed redesign of the P-3 is reported to be of special concern to Secretary of the Navy John Lehman. Aside from the fact that Lehman doesn't want to saddle the Navy with the estimated $300- to $400-million nonrecurring engineering cost should Lockheed eventually develop and produce the P-3 as a suitable omnidirectional airborne early-warning aircraft, it could conceivably compete with the Navy's E-2C for the Airborne Warning and Control System's foreign military sales market. Increased foreign purchases of the E-2C, on the other hand, would reduce production costs and lower Grumman's price of the E-2C to the Navy.

Nevertheless, in spite of the findings of the Navy and Treasury studies and amid all of the criticism, the P-3 conversion continues to get the active support of some

DeConcini

Members of Congress, particularly Sen. Dennis DeConcini (D-AZ) and Rep. Glenn English (D-OK). Their interest in the P-3 was undoubtedly prompted by the Pentagon's reluctance last year to get involved in the drug interdiction program. Last fall, for instance, Navy Secretary Lehman said that airborne surveillance was a Coast Guard or Customs problem, not a Navy mission. Neither he nor Defense Secretary Caspar Weinberger wanted military assets diverted from their normal training missions or readiness to respond to military contingencies. Their positions changed, however, in April of this year when the President signed a National Security Decision Directive making it clear that drug trafficking was to be considered a national security problem.

But today, Bill Lawrence, a staff member of English's House Government Information Subcommittee, told *AFJ* that although he had no figures or estimates to support his position, his "gut feeling" was that the P-3 conversion would cost less than acquiring the E-2C for the Customs Service.

Eugene Sullivan, of Lockheed's P-3 program, told *AFJ* that the four Customs' P-3s could be modified for a total nonrecurring and recurring cost (including Navy-furnished equipment) of less than $100-million, one-third or less of the Navy's estimate.

Meanwhile, the Customs "air force" continues to fly the P-3 in search of smugglers. "The whole P-3 question is up in the air," Jim Mahan, a Customs spokesman, quipped to *AFJ*. ■ ☆ ■

SUNDAY, JULY 27, 1986 ··· THE WASHINGTON POST

Bolivian Barometer: Coca Price Falls

By Bradley Graham
Washington Post Foreign Service

VILLA TUNARI, Bolivia—Thousands of people have streamed out of this coca-growing region of central Bolivia, fearful that after U.S. troops finish assisting Bolivian police in the elimination of cocaine-processing laboratories in the northeast flat land, they will come here to uproot the coca crop.

U.S. and Bolivian authorities say their joint policing operation in the Beni region will not spread to the coca plantations to the west in the Chapare. They also deny another rumor that has alarmed peasants: that the Americans had brought with them deadly herbicides to use in coca eradication.

Public anxiety about what the Americans may do next is running as high as the Andes. While the poor farmers living here in wooden shacks are unlikely to run far, coca's profiteers—the paste makers, the buyers, the prostitutes—have fled the area, exiting in bus loads soon after U.S. troops landed in Bolivia 12 days ago.

As U.S. and Bolivian officials had hoped, the price of the coca leaf has dropped in the past week due to slackened demand. From 60 to 70 cents per pound before the Americans landed, the going rate for leaf here has fallen to 25 to 30 cents.

If the price can be kept down, the government expects to have an easier time persuading local growers to switch from coca to citrus fruits, bananas, rice and other crops that currently earn much less..

It is still possible to drive along the eroded two-lane road that traverses this forested region at the eastern base of the mountains and see thousands of picked coca leaves drying in the sun, spread on the ground in front of peasant huts. The tiny leaves, chewed by Indians for centuries to dull the pain of hunger, cold and illness, continue to be sold in markets, although more discreetly now, say local authorities.

In contrast, coca paste which is purified into cocaine, appears to have vanished. Police at road checkpoints say they have not found any of the paste they usually uncover during searches of passing vehicles. Their guess is that if the paste is still being produced, peasants are burying it. The paste is made by the barefoot stomping of coca leaves in kerosene and acid to leach the leaf's active ingredient.

For now, it appears that Bolivian President Victor Paz Estenssoro has gained an edge over cocaine traffickers in his daring decision to attack them and attempt to alter the economics of coca production here. But the triumph is only a first and tentative blow in what has become a two-front war for him.

One battleground is the pervasive cocaine trade, whose practitioners are amassing enormous economic influence in this undeveloped country—the poorest in South America—and whose drug is poisoning Bolivia's youth, many of whom smoke *pitillos*, cigarettes laced with coca paste.

The other is the legitimate economy, which shows no sign of growth. But Paz Estenssoro has cured it of what was the world's highest inflation rate.

As the president nears the August anniversary of his first year in office, some Bolivians worry that the veteran politician—at 78, he is South America's oldest president—has taken on too much by seeking to shrink the lucrative cocaine business without a concurrent expansion of legitimate economic sectors.

In fact, Paz Estenssoro's decision to go after the drug smugglers went against the advice of at least one close aide. "Running the economic side," recalled Planning Minister Gonzalo Sanchez de Losada in an interview, "I said to Dr. Paz, when we're fighting bare-handed with a tiger, we don't take on an alligator."

The white-haired, pipe-smoking Paz Estenssoro seems to have been emboldened to confront the drug barons by his success at flattening inflation, which has fallen from an annual rate of 23,000 percent to near zero.

This seemingly miraculous drop was achieved by the strict application of orthodox economic remedies, including a freeze on wages in the public sector and an increase in public-sector prices, such as for gasoline, to correct a large and chronic budget deficit. In addition, the peso, devalued 95 percent against the U.S. dollar within days of Paz Estenssoro's inauguration, was allowed to float freely on foreign exchange markets.

More recently, the Bolivian leader pushed through Congress legislation to tax houses, cars and other personal property as a further means of raising state income. Bolivia has had the lowest per-capita tax rate of any country in the world, according to a World Bank study.

The problem now for Paz Estenssoro is how to revive the legal sectors of the economy. His impressive restoration of monetary stability has been rewarded by a new $50 million standby credit from the International Monetary Fund and a 10-year agreement with major creditors rescheduling arrears on the $3.4 billion foreign public debt. (Bolivia owes another $600 million to foreign private banks, which have not received any payments of principal or interest since 1984.)

But possible engines for economic growth are few. The mining industry, Bolivia's traditional economic mainstay, has been hard hit by a collapse of world tin prices and faces the probable layoff of half or more of its 30,000 workers.

The president is counting on several projects to spur Bolivia forward, including the planned development of lithium and potassium reserves, anticipated increases in meat sales to Peru and Chile, the possible expansion of soy bean cultivation and the hoped-for construction, currently under negotiation, of a pipeline from Santa Cruz, Bolivia, to Sao Paulo, Brazil, to supply Brazil with natural gas.

"It's very dangerous to make economic or political forecasts in Bolivia," said Paz Estenssoro in an interview last week. "But with a large margin for error, Bolivia in one year will begin to feel the effects of the measures we're taking."

CONCLUDING REMARKS

Senator STEVENS. Again, I thank you for coming.

I will be pleased to join Senator D'Amato to discuss with you what we might do to help and assist your country in this transition period. I think all of us have been extremely aware of the risks that your country has taken politically in seeking the support of our people to attack these cocaine traffickers.

We should do everything we can to assist you in this transition because undoubtedly there is a sizable reduction in the cash flow through your country as a result of that activity. That is a most courageous stand on your part. Those of us who are trying to help with this war against drugs in our country know it must have taken a great deal of political courage for your current administration to take that action.

I will be pleased to work with Senator D'Amato to see what we can do to assist you in that regard.

Ambassador ILLANES. I welcome that and thank you for this opportunity and I look forward to seeing you again.

Senator STEVENS. Thank you very much.

DEPARTMENT OF TRANSPORTATION

U.S. Coast Guard

STATEMENT OF ADM. PAUL A. YOST, COMMANDANT, U.S. COAST GUARD

ACCOMPANIED BY CAPT. MICHAEL O. MURTAGH, CHIEF, BUDGET DIVISION, U.S. COAST GUARD

INTRODUCTION OF PANEL

Senator Stevens. We now have a panel of witnesses: Adm. Paul Yost, Commandant of the U.S. Coast Guard; Rear Adm. William Pendley of the U.S. Navy, and Col. Harvey Pothier of the U.S. Air Force. It is my understanding that Colonel Pothier is Acting Director for the Department of Defense Task Force on Drug Enforcement from the Office of the Secretary.

Admiral Yost, we would like to see if you will present your statement first and then we will hear from the others. We will be pleased to have your comments.

Admiral Yost. Thank you very much, Mr. Chairman.

It is a pleasure to be here. As the new Commandant of the Coast Guard, it is a pleasure to have this opportunity to testify before your committee, sir. I am pleased to meet with you today to provide an overview of the Department of Defense's contribution to the Coast Guard drug law enforcement program.

I will summarize my statement and then submit the entire statement for the record if that is all right, Mr. Chairman.

Senator Stevens. Thank you very much, Admiral. We will include all your statements in the record as prepared.

Admiral Yost. Thank you, sir.

DRUG INTERDICTION EFFORT IN CARIBBEAN

I have with me today Capt. Mike Murtagh, Chief of my Budget Division, sitting directly behind me. During January and February of this year Captain Murtagh was Commander, Caribbean Squadron, which was a joint Navy-Coast Guard task force of vessels which operated in the southern Caribbean on a drug interdiction mission.

This squadron was part of WINTER operations which was under my operational control in my previous assignment as Commander, Atlantic Area, U.S. Coast Guard.

Commander Murtagh was in 1982, commanding officer of the Coast Guard Cutter *Dauntless*, a 210-foot, medium-endurance cutter out of

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Miami, FL. Under his command the *Dauntless* seized 19 vessels for smuggling contraband.

As the new Commandant of the Coast Guard, I have placed drug law enforcement at the top of my priorities. I believe there is no matter more pressing in our Nation today.

As Commander of the Atlantic area for the last 2 years, I have directed the largest military operation against drugs in history anywhere in the world. The success of these operations against marijuana has been unprecedented. This was accomplished despite a budget that was some $100 million below the President's request.

In 1981 Congress passed legislation clarifying statutory restrictions on the use of Department of Defense resources for law enforcement purposes. As a result, the Department of Defense now has greater freedom to support Federal law enforcement agencies.

DOD RESOURCES IN WAR AGAINST DRUGS

DOD resources have been playing an important role in the Federal drug interdiction program by providing surveillance and support services such as using aircraft to search for smugglers and Navy ships to tow or escort vessels seized by the Coast Guard to the nearest U.S. port.

The Navy has been particularly supportive of the Coast Guard during special multiagency international operations when Navy ships are placed under Coast Guard tactical control.

HAT TRICK II OPERATION

The latest Coast Guard effort known as WINTER operations was a key element of operation HAT TRICK II, planned and coordinated through the National Narcotics Border Interdiction System and under the command of Commander, Atlantic area, which was my job, prior to my coming here some 30 days ago.

The operation involved placing maritime forces off the coast of Colombia and other source countries to complement the antidrug operations being carried out by foreign in-country forces, ashore and afloat. The Coast Guard, supported by the U.S. Navy, provided the primary maritime surveillance and interdiction forces while the Customs Service, Navy, Air Force, Coast Guard, Army, and Marines conducted air operations.

Maritime forces included more than 40 Coast Guard and Navy ships. In addition to the crews permanently assigned to the cutters and aircraft, personnel were temporarily reassigned from their regular duties throughout the United States and along the eastern seaboard to these operations as law enforcement teams aboard Navy ships, to augment intelligence staffs, to provide in-country liaison and as the squadron commander's staff.

The Coast Guard law enforcement teams aboard Navy vessels conduct boardings of suspect vessels from their Navy host in the same manner as they do from Coast Guard vessels. Law enforcement teams total-

ing 55 persons were deployed on Navy ships for almost 4,000 person-days during the first 8 months of 1986.

In addition, another 1,267 deployed days were spent by over 200 temporarily reassigned personnel during WINTER operations and HAT TRICK II.

Since 1981 the Navy has assisted the Coast Guard in the seizure of 50 vessels, 1.1 million pounds of marijuana, and 46 pounds of cocaine. Coast Guard boarding parties on Navy vessels have made 27 seizures, 6 so far this fiscal year.

Section 1421 of the Department of Defense Authorization Act authorized 500 military personnel for the Coast Guard to be assigned to naval vessels at sea in drug interdiction areas. This provision was enacted into law on November 8, 1985, and the funds were transferred to the Coast Guard on March 31, 1986.

COAST GUARD RECRUITING AND TRAINING PROGRAMS

To comply with the direction of Public Law 99–145, the Coast Guard has expanded the recruiting and training of personnel for law enforcement duties this year. Upon completion of training and with proper experience, these additional personnel could be ready for augmentation of law enforcement detachments in the near future.

In the interim, the Coast Guard and Navy have endeavored to comply with both the letter and spirit of Public Law 99–145 in working closely together to ensure the maximum number of Navy vessels are applied to drug interdiction, consistent with their military readiness responsibilities.

Maximum use of Navy ships for both regular and special operations will continue.

VIDEO ON DRUG OPERATIONS

This concludes my statement, Mr. Chairman. I will be happy to answer any questions that you or members of the committee may have, but first I would like to show members of this committee a short video clip of about 2½ minutes on drug operations. With your permission, Mr. Chairman, I will flip that on at this time.

Senator STEVENS. Could we have that stand moved so that it does not block that television, please? Just move it out of the way.

Thank you.

[VIDEO TAPE DEMONSTRATION WITH COMMENTS BY ADMIRAL YOST]

Admiral YOST. 30 January, 1986, Navy vessel, Coast Guard LEDETS onboard.

Bridge of the Navy vessel.

In the distance you can see a suspected drug smuggling vessel. This is the vessel with a tarp forward. It looks like contraband underneath the tarp.

Navy vessel lowering a boat with a Coast Guard law enforcement detachment embarked. Very smart seamanship by the Navy.

The boat is away. Boarding party is onboard going through the top area and then searching the rest of the vessel.

They have the crew mustered under surveillance. You can see the tarp pulled back. Unfortunately, no contraband.

The next clip will show a Coast Guard vessel coming across a drug smuggler. This time it was a drug smuggler. There was contraband aboard. This is about a 2-minute clip.

Senator STEVENS. Where was this, Admiral?

Admiral YOST. This is in the Pacific. The first one was in the Atlantic. This one was in the Pacific. I think you will find this one a little more exciting because there were drugs aboard.

The vessel refused to stop. The Coast Guard crewman is speaking Spanish over the radio to the vessel.

This is the commanding officer of the Coast Guard vessel. This is in the Atlantic, I am sorry, Windward Pass. The first one was in the Pacific with the Navy ship. This is in the Windward Pass.

You see the man with a shell about to load it. There goes the 3-inch shell into the gun.

He says, "I can't stop you, I am sorry, you follow me into Colombia waters." That was our answer. You are beginning to see holes appearing in the vessel.

PREPARED STATEMENT

Admiral YOST. I think that is an interesting clip. It is the kind of operations I had been conducting for the last 2 years as Commander of the Atlantic area, the kind of operations I intend to conduct as Commandant of the Coast Guard and the kind of operations that are No. 1 on our priority list.

I am ready to answer any questions, Mr. Chairman.

[The statement of Admiral Yost is as follows:]

US Department of Transportation
United States Coast Guard

PREPARED STATEMENT

ADMIRAL PAUL A. YOST

COMMANDANT, U. S. COAST GUARD

Mr. Chairman and members of the Committee, I am pleased to have the opportunity to meet with you today to provide an overview of the Department of Defense's contribution to the Coast Guard's drug law enforcement program. I would like to begin by briefly touching on the nature of maritime drug trafficking and current trends that are being noted.

The Coast Guard maritime law enforcement program is recorded as one of the first and primary responsibilities of the Revenue Cutter Service established in 1790. These responsibilities are still extremely important today to stem the flow of drugs into the United States. The Coast Guard has devoted substantial time and resources to this effort, and drug smugglers are reacting accordingly. As law enforcement pressure in the maritime region has increased, there has been some shift by drug smugglers to other modes and methods of transportation. As you know, there has been a substantial increase in drug smuggling on our Southwest Border. There has been an increase in airdrop activity, the use of hidden compartments (compartments incorporated into the design of a boat or ship for the express purpose of hiding contraband), the use of tug and barge combinations, and attempts by smugglers to circumnavigate our interdiction resources through counterintelligence and the use of their own surveillance aircraft. These tactics confirm the fact that we are having a noticeable effect on maritime smuggling. We are causing it to become more difficult and expensive. In view of the more varied and complex tactics used by smugglers, the operational efforts to stem the overall flow of drugs have become increasingly dependent on the coordination of all law enforcement agencies' interdiction and intelligence gathering activities.

No phase of maritime law enforcement is more important to the success of the drug interdiction program than boarding vessels at sea. Analysis shows that while we must keep pressure on all facets of the maritime drug scenario, interdiction of "motherships", which deliver contraband to smaller boats well off our coast or fast contact boats near shore, has the greatest potential for disrupting the maritime flow of drugs. In addition to removing other contraband, one mothership seizure may remove as much marijuana from the market as would 10-20 contact boat seizures. Therefore, Coast Guard drug interdiction operations have continued to concentrate on these large motherships. In addition to large quantities of marijuana, large quantities of other drugs (primarily cocaine) are being found, indicating a distinct shift in trafficking trends. Previously, we were rarely able to seize these higher value, low volume, drugs because they were usually disposed "over the side" prior to the at-sea boarding of the vessel. However, last year we seized over 6,500 pounds of cocaine, up from the 1,967 pounds seized in 1984, and well above the high of 46 pounds in previous years. This year, as of June 30, we have seized 3,290 pounds of cocaine.

The Coast Guard's traditional drug interdiction strategy has been mainly directed toward intercepting motherships as they transit the major Caribbean passes. Starting in the fall of 1984, new tactics were employed, facilitated by a new awareness by other cooperating countries of the international ramifications of drug trafficking. Operation Wagonwheel, conducted in November and December, 1984, was the key element of a larger national and international operation, Operation Hat Trick, coordinated by the National Narcotics Border Interdiction System (NNBIS). Operation Hat Trick was the first of several multiagency, international operations employing the maximum of flexibility and deception to complement the anti-drug operations being carried out by foreign

in-country forces ashore and afloat. The operation involved two to three times the Coast Guard cutters used in previous efforts, and, among other DOD assets, included seven Navy ships under Coast Guard tactical control.

The latest Coast Guard effort, known as Winter Operations, provided a key element of Operation Hat Trick II and was very similar to Hat Trick I, but on a more massive scale. Again, planned and coordinated through NNBIS, the Coast Guard, supported by the U.S. Navy, provided the primary maritime surveillance and interdiction forces, while the Customs Service, Navy, Air Force, Coast Guard, Army and Marines conducted air operations. Maritime forces included more than 40 Coast Guard and Navy ships. In addition to the crews permanently assigned to the cutters and aircraft, personnel were temporarily reassigned from their regular duties to the operation as law enforcement teams aboard the 5 to 9 Navy ships, to augment intelligence staffs, to provide in-country liaison, and as the squadron commander's staff.

The successes of these operations point out the advantage of occasional offensive tactics against trafficking organizations, and they also show the value of DOD assistance to these operations.

In 1981 Congress passed legislation clarifying statutory restrictions on the use of Department of Defense resources for law enforcement purposes. As a result, the Department of Defense now has greater freedom to support federal law enforcement agencies. DOD resources have been playing an important role in the federal drug interdiction program by providing surveillance and support services, such as using aircraft to search for smugglers and Navy ships to tow or escort vessels seized by the Coast Guard to the nearest U. S. port.

Additionally, Navy ships have been deploying with Coast Guard law enforcement teams aboard - a successful program that contributed greatly to the success of the joint operations I've just touched on. These personnel conduct boardings of suspect vessels from their Navy hosts in the same manner as they do from Coast Guard vessels. To increase further the number of surface assets available for interdiction, the Coast Guard has been routinely deploying personnel on Navy Pegasus-class Hydrofoil Patrol Boats operating out of Key West. These hydrofoils are being used for short notice, fast response situations such as interdicting fast drug smuggling contact boats.

Scheduled law enforcement teams totalling 55 persons were deployed on Navy ships for 3,956 person-days during the first eight months of FY86, and used 236 travel days to meet and return from Navy ships. In addition, 1,267 deployed days were spent by over 200 temporarily reassigned personnel during Hat Trick II. Since 1981, the Navy has assisted the Coast Guard in the seizure of 50 vessels, 1.1 million pounds of marijuana and 46 pounds of cocaine. Coast Guard boarding parties on Navy vessels have made 27 seizures (six, so far, this fiscal year).

Section 1421 of the Department of Defense Authorization Act of 1986 (P. L. 99-145) authorized 500 military personnel for the Coast Guard to be assigned to naval vessels at sea in drug interdiction areas. This provision was enacted into law on November 8, 1985 and the funds were transferred to the Coast Guard on March 31, 1986.

The Coast Guard and the Navy have endeavored to comply with both the letter and spirit of P. L. 99-145 by working closely together to ensure that the maximum number of Navy vessels are applied to drug interdiction, consistent with their military readiness responsibilities. As a result of Coast Guard operational experience over the past few months, it has become apparent that restricting the use of 500 additional personnel solely to Navy vessels would significantly limit their potential effectiveness. For a number of reasons, including rapid fluctuations in Navy fleet operations, short transit periods in drug interdiction areas, and changes in ship deployment schedules, such a large number of Coast Guard law enforcement personnel cannot be used productively aboard Navy ships.

To comply with the direction of P. L. 99-145, the Coast Guard has expanded the recruiting and training of personnel for law enforcement duties this year. Upon completion of training and with proper experience, these additional

personnel could be ready for augmentation of law enforcement detachments in future years. In the interim, maximum use of Navy ships for both regular and special operations will continue. Although P. L. 99-145 calls for 500 Coast Guard personnel to be assigned to Navy ships, our experience indicates that Coast Guard law enforcement teams are most productive on Navy ships that do not have other high priority national security missions and are operating in drug interdiction areas.

This concludes my statement, Mr. Chairman. I will be happy to answer any questions you or the members of the committee may have.

Admiral Paul A. Yost Jr.
Commandant
United States Coast Guard

Admiral Paul Alexander Yost, Jr. became the 18th Commandant of the United States Coast Guard on May 30, 1986. He was nominated to that position while serving as Commander of the Atlantic Area, Commander Maritime Defense Zone Atlantic, and Commander Third Coast Guard District in New York City where he was assigned in 1984.

In these roles, the Admiral was responsible for Coast Guard operations in the Atlantic, Caribbean, and Gulf of Mexico including drug interdiction, maritime law enforcement, and search and rescue, as well as maritime coastal defense under the authority of the Commander Atlantic Fleet, United States Navy.

Prior to his Third District assignment, Admiral Yost was Chief of Staff of the Coast Guard for three years at Headquarters in Washington, DC, where he managed planning, programming, and budgeting for the service. He was promoted to flag rank in 1978 and served as Eighth District Commander in New Orleans, Louisiana for three years.

Admiral Yost's management and operational positions included Chief of Staff and Chief of Operations for Seventeenth Coast Guard District in Alaska (1975), and Commander Task Group 115.3, a combat command in Vietnam (1969). In addition, he served as Special Assistant to the Deputy Secretary Department of Transportation and an Alternate Delegate on the U.S. Law of the Sea Delegation.

Admiral Yost was Captain of The Port, Seattle, Washington (1974), Special Assistant to the Chief Counsel, Coast Guard Headquarters (1972), and Chief, Bridge Branch, Aids to Navigation Division, Headquarters (1970). Seagoing duty included command of the cutter *Resolute* in San Francisco, California (1966).

Admiral Yost graduated from the Naval War College at Newport, Rhode Island, in 1964. He received master's degrees in international affairs from George Washington University (1964) and in mechanical engineering from the University of Connecticut (1959). He also completed course work toward a master's in business administration. Admiral Yost received a Bachelor of Science Degree from the U.S. Coast Guard Academy in New London, Connecticut, in 1951.

The Commandant's awards include The Distinguished Service Medal, Silver Star, Legion of Merit with combat "V", a gold star in lieu of a second Legion of Merit, Meritorious Service Medal, Combat Action Ribbon, Korean Service Medal, and United Nations Service Medal. He also received The Cross of Gallantry with Silver Star (RVN), Presidential Unit Citation, Navy Meritorious Unit Commendation, and the Distinguished Service Medal (RVN).

A native of St. Petersburg, Florida, Admiral Yost is active in church, school, and community affairs. He was awarded the Silver Beaver Award by the Boys Scouts of America. Admiral Yost is married to the former Jan Worth of Wakefield, Massachusetts. Mrs. Yost earned a degree in communications from the University of Maryland. They have five children: Linda L., Paul A. III, David J., Lisa J., and Christopher J. The Yosts reside in Chevy Chase, Maryland.

DEPARTMENT OF DEFENSE

U.S. NAVY

STATEMENT OF REAR ADM. WILLIAM T. PENDLEY, U.S. NAVY, DIRECTOR OF STRATEGY, PLANS AND POLICY DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

NAVY EFFORT IN DRUG INTERDICTION

Senator STEVENS. Admiral Pendley, do you have any statement?

Admiral PENDLEY. No; I would like to make an additional comment.

Senator STEVENS. Please do.

Admiral PENDLEY. It is a pleasure to be here and I am particularly pleased to represent the Navy. As a former commanding officer of a P-3 squadron and also a wing commander in Jacksonville, FL, as well as my most recent tour as commander for all P-3's in the Atlantic Fleet, I have been involved for over a decade in operations with the Coast Guard in the drug interdiction business. Obviously, our effort has been expanded greatly through those years, beginning with just the providing of surveillance reports on shipping up until the time when we have had the modification of the Posse Comitatus Act in December 1981, Navy operations have increased significantly since then.

I think, as you know, the tactical law enforcement teams are critical to the effort and we have attempted in the last 2 years to utilize those teams as effectively as possible with Navy ships. In fact, in this year alone we have made available 344 ships. We have had 91 actual embarkations and about 1,097 ship-days. That is roughly three times what we had in the whole year preceding.

So, since 1982 when we put the first one of the tactical law enforcement teams on the U.S.S. *Farragut*, we have obviously made it much more difficult, I think, for drug traffickers. They can no longer ignore the gray-hulled Navy ships which have or may have aboard a team capable of search and seizure.

With section 1421 and the expansion of the teams, we will be able to increase that effort because we want to make the most effective utilization of resources. We coordinate very, very closely with the Coast Guard in this effort. I look forward, obviously, to our continued efforts.

We were involved in the drug business early on. We are involved today. In fact, I called this morning to check. We stay involved on a year-round basis, not just in the big operations. In fact, we have a flight which is flying today. We have, I think, through the Navy's demon-

strated tough attitude on drug use, indicated we are not just an idle participant in the war on drugs. We are, in fact, deeply involved.

We are as concerned as I am sure you are in keeping drugs out of our schoolyards and off our streets.

I will be happy to take any questions you might have, Mr. Chairman.

U.S. Air Force

STATEMENT OF COL. HARVEY G. POTHIER, U.S. AIR FORCE, ACTING DIRECTOR, DOD TASK FORCE ON DRUG ENFORCEMENT, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (FORCE MANAGEMENT AND PERSONNEL)

SURVEILLANCE EFFORTS

Senator Stevens. Colonel, do you have a statement?

Colonel Pothier. Thank you, Mr. Chairman.

It is a privilege to appear before the subcommittee this morning to discuss the Department of Defense role in the national campaign to suppress the flow of illegal drugs.

The Department of Defense is the provider of surveillance and information to assist the intelligence efforts, extraterritorially.

We also provide surveillance information on land, air, and sea drug trafficking. Outside of the land mass of the United States we also transport law enforcement officials, as was mentioned earlier this morning, and Bolivia is a case in point.

In addition, we make available sophisticated equipment to law enforcement authorities. In 1984 we responded positively to over 8,000 requests from Federal, State, and local authorities. We provided over $14 million of aircraft, surface vessels, surveillance support incidental to normal operations and training, including over 10,000 flight hours, P–3, AWACS, E–2C, and the like.

Additionally, we have loaned, since I have been with the program in May 1983, over 100 million dollars' worth of equipment, sophisticated equipment to the domestic law enforcement authorities to help them do their job better.

The Attorney General recently forwarded to the Congress a National Drug Enforcement Policy Board proposal which accommodates the interdiction needs and recommends improvement to several of the critical components in the Government's overall antidrug efforts.

DOD LOANS OF AIRCRAFT TO PROGRAM

The Defense Department contribution to this proposal calls for the Navy to loan four state-of-the-art E–2C's, early airborne warning aircraft for use by law enforcement authorities along the southern U.S. tier.

In addition, the Air Force will procure five tethered aerostate radar systems for Customs Service to operate and maintain along the United States-Mexican border. These aircraft and balloonborne radars will con-

strain free access for drug-ladened aircraft attempting to cross our national borders below the coverage of ground-based radars.

The Air Force will modify two C–130 *Hercules* aircraft with special sensors for use near the drug production and processing areas.

Mr. Chairman, the multi-Service DOD contribution also includes rotary wing helicopter support as a byproduct of normal mission and training activity. The Marine and Air Force helicopter units based along the southern United States will respond to requests from domestic law enforcement authorities for support in the United States on a case-by-case basis.

NATIONAL SECURITY DECISION DIRECTIVE ON NARCOTICS

In addition, the recently signed National Security Decision Directive on Narcotics and National Security provides emphasis and direction to all the Federal departments and agencies participating in the national antidrug campaign.

The directive contains specific guidance for the Defense Department to endeavor to maximize assistance permitted under Public Law 97–86, particularly in terms of training exercises. In that regard, we have expanded our participation in multiagency operations coordinated by the National Narcotics Board Interdiction System headed by the Vice President.

For example, the Military Services expended a combined total of $22 million supporting HAT TRICK II, the large interagency drug agency operation, coordinated by the President's staff.

We are taking steps in countries outside of the United States as well to deal with the problem at its source. The ongoing ability and logistics support to the Government of Bolivia by the U.S. Army is one example of how we are providing such assistance.

Mr. Chairman, the Defense Department has transitioned from the role of the passive equipment supplier to being a highly active and vital source of tactical, surveillance and intelligence information. Our goal is to enhance the civilian law enforcement communities' ability to make arrests, searches, and seizures.

We believe this is a proper role for the armed forces so that we can maintain the traditional separation between military and civilian law enforcement responsibilities. This separation is a fundamental principle which is endemic to our American democracy.

This completes my summarization of the statement. I will be glad to answer your questions.

[The statement of Colonel Pothier follows:]

PREPARED STATEMENT OF COL. HARVEY G. POTHIER, USAF

ACTING DIRECTOR

DOD TASK FORCE ON DRUG ENFORCEMENT

Mr. Chairman, let me begin by expressing my gratitude for the opportunity to appear before your Subcommittee today. It's always a privilege to report on the Department of Defense contributions to this nation's campaign to reverse the growing drug trafficking menace. I might add that we are proud of our efforts in this area. We are diligently balancing our program of assistance with readiness implications and national security mission imperatives.

Our proper role is to support drug law enforcement agencies with sophisticated equipment loans; to provide aerial, maritime and ground surveillance of drug trafficking personnel, vehicles, ships and aircraft; and to provide intelligence and communications to improve drug law enforcement effectiveness. While the Department of Defense support posture maintains the historical separation between civilian law enforcement and military missions as required by the Posse Comitatus Act, we endeavor to maximize assistance permitted under Public 97-86, particularly, in terms of training exercises.

In review, Mr. Chairman, when the President signed P.L. 97-86 in 1981 a new chapter to Title 10 of the US Code was added which clarified DoD's role in the national effort to combat the entry of illicit drugs into the United States.

Section 371 of Title 10 authorizes the Military Services to share information collected during routine military operations with federal, state, and local law enforcement officials.

The Secretary of Defense may, under Section 372, make facilities and equipment available to such officials.

While Section 375 bans direct participation of military personnel in drug enforcement arrest and seizure activities, Section 374 allows for personnel assistance under certain conditions.

For example, military personnel may be used to operate and maintain loaned equipment used for monitoring air and sea traffic; and, under emergency conditions, military personnel may provide bases of operations for federal law enforcement officials outside the land area of the United States.

Assistance provided by DoD for which there is no essentially equivalent training benefit is subject to reimbursement under terms of the Economy Act. In that regard, we have been able to provide a great deal of assistance without reimbursement when substantially equivalent military training benefit is realized from such support.

With this framework in mind, let me briefly review the Department's level of support for the last full fiscal year -- 1985. During FY1985, the Department of Defense honored nearly 8,000 individual federal, state, and local law enforcement agency requests for assistance including the use of facilities, explosive ordnance disposal, security assistance, technical or training assistance, equipment loans and mission support. This outstanding record is indicative of the Department's willingness to aid federal, state, and local law enforcement agencies.

Airborne surveillance is the largest area of DoD support to

drug enforcement agencies. In FY 1985, over 3,000 sorties were flown amassing nearly 10,400 flight hours. This support includes many different platforms.

Navy E-2's provided 1,679 hours of aerial surveillance for the U.S. Customs Service in the Caribbean, along the Mexican border, the Gulf of Mexico, and the offshore waters of California and Florida. Frequently U.S. Marine Corps OV-10's collocated with the E-2Cs have performed complementary operational support missions.

Navy P-3s flew 4,100 hours of long-range surface surveillance tracks throughout the Caribbean and the Gulf of Mexico. S-3s flying from San Diego, California flew surveillance tracks off the coast of California and Mexico.

The Navy additionally provided 347 ship (including PHM hydrofoil) days with USCG tactical law enforcement teams (TACLETS) embarked; and the towing of drug vessels by Navy vessels permitted USCG cutters to remain on station. Three more Navy P-3As with Air Force F-15 radars were turned over to U.S. Customs Service during 1985. That is a total of four P-3As that have been transferred to Customs.

The Marine Corps, in addition to 1,279 hours of OV-10 support, provided mobile ground radar surveillance as well as anti-personnel intrusion detection.

Air Force AWACS flew 1,308 hours of radar surveillance missions many with Customs personnel onboard.

The Air Force operates two aerostat radars located at Cudjoe Key and Patrick AFB. These radars provide effective look-down capability against low-flying aircraft. Both aerostats, digitally linked to the Customs Service Miami C^3 facility and the Tyndall Region Operations Control Center (ROCC), were operational over 10,000 hours in 1985.

The Air Force also loaned over 120 Communication Encryption Devices to the Customs Service and DEA.

While on State Active Duty and/or incidental to scheduled training, the National Guard conducted 207 missions (primarily aerial observation) in support of civilian drug law enforcement authorities in 20 states. This compares to 14 states in 1984. During the year, National Guard aircrew reports contributed to the destruction of almost 200,000 marijuana plants with a street value of over $260M. As the number of participating states increases, there is a growing awareness of the National Guard ability to support drug interdiction efforts.

The Army and National Guard provided a variety of additional support to drug enforcement agencies including: loan of night vision imaging systems; specialized training, including rappeling and use of ground radars; use of rifle and pistol ranges by law enforcement personnel; and use of Army National Guard aviation assets for training.

The Army aircraft loaned to federal civilian drug enforcement agencies included Blackhawk, Cobra and OH-6 helicopters and Mohawk fixed-wing aircraft. Additionally, the Army will loan the U.S. Customs Service six C-12 King Air aircraft with delivery in late FY86 and early FY87.

The Army, Navy, Air Force, and Marine Corps (in addition to the Coast Guard) provided expert personnel assistance to seven National Narcotics Border Interdiction System (NNBIS) Regional

or District Centers in addition to the NNBIS headquarters in Washington D.C.

Since 1983 by a joint declaration of emergency signed by the Attorney General and Secretary of Defense, the Air Force has continued its support to Operation Bahamas and Turks (OPBAT) with personnel operating and maintaining two UH-1N helicopters stationed in the Bahamas. The Air Force flew 1,228 hours in FY1985. These helicopters provided quick insertion of Bahamian law enforcement teams on drug apprehension missions. During Hat Trick II, a large-scale multi-agency operation, the U.S. Army augmented the Air Force cadre with two additional Blackhawk helicopters and aircrews.

The Department of Defense has actively supported federal, state, and local drug enforcement agencies in the southwest, a region of greatly increased drug trafficking. Such assistance included aerial surveillance and observation, transportation of state drug control officers, and joint marijuana eradication operations.

During the first half of FY1986, we flew over 6,000 hours of surveillance in support of drug law enforcement. This includes the Army (344 hours) and Air Force (415.4 hours) support to Operation Bahamas and Turks.

Aerial surveillance included 829.8 E-2 hours, 3,734.5 P-3 hours, 160 Air Force E-3 (AWACS) hours, and 507 Marine Corps OV-10 hours. In addition, the Navy provided 1,097 ship days with U.S. Coast Guard Tactical Law Enforcement Teams embarked.

To date, we have loaned over $111M of equipment to drug law enforcement agencies.

DoD also provided support in several additional key areas particularly, our assistance to Hat Trick II -- the largest inter-agency anti-narcotics operation to date. DoD aided operational planning, developed interagency voice privacy radio networks using DoD equipment and facilities, and provided expanded intelligence support. These significant contributions aided in disrupting maritime and airborne drug trafficking.

The Administration recently proposed a Government-wide enhancement package which would initiate improvements to several of the critical components of the Government's overall anti-drug strategy. The Defense Department contributions to this proposal will greatly improve this nation's capability to interdict illicit drug traffickers at or near our borders. We are prepared to move forward after obtaining Congressional approval for the overall Administration proposal.

The DoD element of the proposal provides a combination of fixed-wing surveillance aircraft and balloon-borne tethered aerostat radar systems that afford the advantage of detecting and tracking aircraft attempting to cross our national borders below the radar coverage of ground-based radars. The Administration proposal calls for the Navy to loan four E-2C airborne early warning aircraft for use by law enforcement authorities along along the southern U.S. tier. The receiving agency will operate and maintain the aircraft during peacetime.

The Air Force will procure five state-of-the-art tethered aerostat radar systems for Customs Service to operate and maintain in peacetime. The Administration proposal would position these airborne radars along the U.S./Mexican border improving the U.S. Government's deterrent posture against airborne drug trafficking.

The Air Force will also provide two C-130 Hercules aircraft

with special sensors for use near the drug production and processing areas. These aircraft will be under the operational control of the Southern Command in Panama for use in areas adjacent to drug producing countries in Central and South America.

The multi-Service DoD contribution also includes rotary-wing helicopter support as a by-product of planned mission and training activity. Selected Army, Marine, and Air Force units stationed along the southern border are prepared to assist civil law enforcement authorities in the U.S. on a case-by-case basis. The Secretary of Defense approved and forwarded this plan to the Congress in January 1986.

In April 1986 the President signed a National Security Decision Directive on Narcotics and National Security. This document assessed the threat from the international narcotics trade and directed specific actions to increase the effectiveness of U.S. counter-narcotics efforts. While the decision directive applies to many departments and agencies, the Department of Defense has been directed by the Commander-in-Chief to support more actively counter-narcotics efforts in many areas. Accordingly, we will continue to support the interdiction of drugs coming into this country. We, however, believe the proper role for our military forces is to provide support so that civilian law enforcement agencies can make necessary arrests, searches, and seizures. This will enhance the enforcement capabilities of these agencies and provide a proper focus for the armed forces without compromising the traditional separation of the military from civilian activities. In that regard, we are working closely with the law enforcement community to increase this type of indirect assistance. For example, this month the Army accommodated a Border Patrol loan request for M-14 rifles, electronic sensor systems, night observation devices, and tactical vehicles for use along the Mexican border.

We are also taking steps in countries other than the U.S. to deal with the drug production problem at its source. Such operations are accomplished in full accord with the host countries, Department of State, and Department of Justice.

In response to a request for assistance from the Government of Bolivia to the Department of State, elements of the Department of Defense are currently providing support to joint Drug Enforcement Administration/Bolivian National Police effort to counter cocaine processing/drug storage sites. The operation called "Blast Furnace," involves DoD mobility and logistics support to aid DEA's support to the Government of Bolivia. In view of the serious threat to the U.S. from the scope of drug trafficking in Bolivia, the Attorney General and the Deputy Secretary of Defense jointly declared the existence of an emergency situation as authorized by P.L. 97-86 (10 U.S.C. 374). This authority is the same as that pertaining to OPBAT as mentioned earlier. Our specific support includes aircrew and support personnel for U.S. Army Blackhawk helicopters used to provide quick insertion of Bolivian National Police and DEA agencts to cocaine production/cache sites. The U.S. Air Force is providing airlift for Army units to and from Bolivia as well as supporting in-country logistics.

The Department of Defense is also expanding its maritime support to the U.S. Coast Guard. We are actively supporting the program to expand the availability of Coast Guard tactical law enforcement (TACLETS) teams aboard U.S. Navy ships. For example, during the period October 1, 1985 through May 30, 1986 the Navy offered 344 ship deployments as potential platforms for Coast Guard law enforcement teams. The Navy offers all available ships and the Coast Guard selectively chooses those best suited to optimize use of tactical law enforcement teams. During this period, the Coast Guard selected 91 ship deployments which represented a utilization of 3,956 man-

days aboard Navy ships. These included operation Hat Trick II, where TACLETS, on Navy ships, contributed to the seizure of 151,000 pounds of marijuana.

The Navy transferred the $15M provided for in the fiscal year 1986 DoD Authorization Act to the Coast Guard in March 1986. These funds enable Coast Guard to begin recruiting and training additional personnel for TACLET employment.

Our experience during fiscal year 1986 suggests that program effectiveness could be improved by authorizing any future funding in the Department of Transportation budget. This would afford the Coast Guard the optimum flexibility to manage their program. The Department of Defense remains committed to full support of the program which has contributed to significant drug seizures.

Mr. Chairman, the Defense Department shares the nationwide concern regarding the threat that drugs and drug trafficking pose to our society and is proud to support this nation's campaign against illicit drug trafficking.

Thank you for the opportunity to appear before your Subcommittee. Mr. Chairman, I would be pleased to answer any questions at this time.

GENERAL QUESTIONING

RELEASE OF FUNDS FOR DRUG INTERDICTION

Senator STEVENS. Thank you very much.

We have made $115 million available to the Navy to transfer to the Coast Guard for this fiscal year for this purpose of drug interdiction.

Has that been released and how are you using it?

Admiral YOST. The $15 million, sir, was transferred——

Senator STEVENS. $15 million?

Admiral YOST. One five, yes.

Senator STEVENS. Go ahead.

Admiral YOST. On March 31, 1986, $15 million was transferred from the Department of the Navy to the U.S. Coast Guard.

Senator STEVENS. What happened to the other $100 million? I thought we had $115 million.

Admiral YOST. Captain Murtagh, can you shed any light on that.

Captain MURTAGH. There was $100 million that was transferred to the Coast Guard from the Navy. It was in an account for our military readiness posture. It was not associated with drug interdiction, sir.

Admiral YOST. That has been transferred?

Captain MURTAGH. Yes, sir; it has.

Senator STEVENS. Is that the amount that was supplemental to your operations?

I thought it was tied to drugs. That is how we sold it to the Congress.

Captain MURTAGH. No, sir; it had to do with our military readiness activity with which we support the Navy in our military preparedness. The $100 million was given for that, and $15 million was specifically earmarked for drug interdiction.

Senator STEVENS. My memory is that we had $115 million that went

to O&M, $375 million that went to equipment purposes for this fiscal year.

Is that not correct?

That was from the biil that was before this committee for the Department of Defense to support the Coast Guard.

Admiral YOST. That is correct, sir. The $15 million was attached to drug interdiction specifically for LEDETS to provide 500 Coast Guardsmen to LEDETS on Navy ships similar to the first clip I had on the video. That money we had on March 31, a little less than 4 months ago.

EQUIPMENT PURCHASES

Senator STEVENS. What about the equipment purchases?

I know there was some dispute over that.

How has that worked out as far as Coast Guard is concerned? Any of those related to drug interdiction?

Admiral YOST. Not specifically. The $375 million in AC&I you are talking about is not specifically related to drug interdiction. We have an agreement on how most of that will be spent. I could go over how that will be spent.

Three medium-range helicopters, service life extension for a tender. Three C–130 aircraft.

Senator STEVENS. Now, were not those specifically for drug interdiction?

That was my understanding at the time.

Admiral YOST. All of them will certainly aid drug interdiction. Whether they were tagged that way I am not sure. They are certainly directed toward drug interdiction: 110-foot patrol boats, C–130 radar. All of that is drug interdiction equipment. That was for $265 million.

COASTAL DEFENSE AUGMENTATION

Senator STEVENS. I think we are going to have to get more specific about this. Our feeling was that that money available for the Department of Defense ought to support the activity of the Coast Guard related to drug interdiction and in order to avoid the complications of the posse comitatus concept, that we should finance through the Department of Defense funds that are reallocated to the Coast Guard, the Coast Guard activity related to the defense assets that should be used to support this war on drugs.

Admiral YOST. They came out of the Coastal Defense Augmentation account. That is where the $375 million came from.

Senator STEVENS. That was a new account that this subcommittee created in order to achieve this purpose?

Admiral YOST. Yes; I think we have used that, sir, in things that are directly related to drug interdiction. 110-foot patrol boats, $112 million; C–130 forward-looking radar, $44 million; C–130 aircraft, three of those, $54 million; medium-range recovery helicopters, three of those, at $41 million.

Senator STEVENS. That was the genesis of the battle between this subcommittee and the Armed Services Committee over unauthorized accounts. We will have to face up to that question again if they do not authorize it this time.

ADDITIONAL FISCAL 1987 FUNDING FOR DRUG INTERDICTION

I want to ask you this. Have you submitted a request for the fiscal year 1987 for additional funding in terms of the Coast Guard's activity related to the use of the defense assets for the purpose of drug interdiction?

Admiral YOST. The $15 million that was directly connected——

Senator STEVENS. I am talking about 1987 now. We are still considering the 1987 bill.

Do you have a pending request for increased funding for 1987 to deal with this drug interdiction problem through the use of defense assets for the Coast Guard?

Admiral YOST. I am not sure I know the answer to that question. I can say that $15 million in 1986 was not in the Coast Guard base. That was in the Navy base. There has been no request come forward from the U.S. Coast Guard to put that money in the Coast Guard base in 1987.

In the President's budget for the U.S. Navy I understand there was no money, recurring money, to continue that program forward, but I only found that out within the last few days.

Senator STEVENS. That just means we have a problem again.

Senator D'Amato.

Senator D'AMATO. Thank you, Mr. Chairman.

FUNDING FOR INCREASED PERSONNEL

Mr. Chairman, I think you have gone to the heart of the problem. There appears to be a recalcitrance or a reluctance upon either the Navy or the Coast Guard to say we want the $15 million, because without that, Admiral, what happens with respect to the hiring program for the 500 people that the Coast Guard will be using specifically for law enforcement purposes in drug interdiction?

Admiral YOST. Unless there are recurring funds, there is not going to be a recurring program. The problem is that you put in the Coast Guard budget 500 spaces, 500 people, with no money.

Senator D'AMATO. Talk into that microphone.

Admiral YOST. You put in the Coast Guard budget 500 spaces, that is 500 people, without any funding. The funding is in the Navy budget. My understanding is that the Navy has not provided for recurring funding for 1987 for that.

So, we are left with 500 spaces with a responsibility that is unfunded. Now, that is my understanding as of last evening.

Senator STEVENS. Senator, will you yield?

We will have to face this in the Defense authorization bill. If you want to do it, I will support you. We have to maintain that constant funding for this effort. It cannot be a one-shot, 1-year deal.

Senator D'AMATO. Otherwise it is a charade. We have committed 500 people in undertaking this new commitment. That is exactly our point. The people in OMB and the budget and Navy and Coast Guard know this. We have to drag people kicking to the witness table to say, "Hey, let us face up to it."

You do not have 500 hired; you are not going to have 500 hired; you are not going to have the money, because you are taking this as a one-shot deal.

I thank the chairman for his support because I believe it is absolutely essential unless we just want to have a one-time publicity stunt. HAT TRICK II, that is wonderful. HAT TRICK III and HAT TRICK IV, why do I have to read about it in an announcement prematurely?

Don't we undertake these kinds of things?

And then after we have had some success, we tell the American people about it.

Admiral YOST. HAT TRICK I and HAT TRICK II were operations that were conceived, and the key part of them directed, while I was Commander of the Atlantic Area. The key part was WAGON WHEEL and WINTER OPS.

I talked to my relief as of this morning. He assures me that there will be a further operation. We do not want to lay that out for the drug smugglers. We do not want to tell them what we are going to do.

PREMATURE RELEASE OF STORY ON BOLIVIAN DRUG RAID

Senator D'AMATO. That is what you did the last time.

Admiral YOST. We did it the first year that way because the Miami Herald broke the story that came from some U.S. sources. The Bolivian story; I do not know where that came from.

Senator D'AMATO. Do not tell the politicians, then we will have a pretty good chance that no politician will want to toot his horn and we will get a pretty good program. So, do not tell them.

Admiral YOST. I am not telling you, sir.

Senator D'AMATO. Good.

Senator STEVENS. We did not ask.

I read in the paper about the Bolivian thing and the thought crossed my mind, I never saw a Mukluk telegram put out in the paper so early.

Up our way that is the Mukluk telegram. You usually hear about it before the telegram is mailed. That is the problem. I see no reason for that.

We ought to have some severe sanctions on whoever is involved in releasing that information. It is a highly sensitive thing. The Bolivian thing must have left egg all over people's faces in Bolivia. I think it was very unfortunate. We want to urge you to continue it.

Senator, I just think the main part of this hearing ought to be to find out how much money we need to continue this operation and to make it even more effective. If we can get that, I think the hearing will have served a great purpose.

Senator D'AMATO. Mr. Chairman, before we pursue that any further, I know Senator Kasten has another hearing.

Senator KASTEN. I thank the Senator for yielding.

PHM HYDROFOILS

I just want unanimous consent to insert a statement and also some questions. One on the PHM hydrofoils for the Navy. This is something that we have been working with for a number of years, but we are interested in the fact that now in the statements that are being provided to us you are making greater utilization of those ships.

I thank the Senator for yielding.

I would like to ask unanimous consent to submit these questions for the hearing.

Senator STEVENS. We will submit them and we will appreciate it if you will respond.

HARDWARE

Senator KASTEN. Also, I have a question with regard to what, if any, hardware is being budgeted within the Navy to go along with some of these increased appropriations.

[The information follows:]

COAST GUARD HARDWARE

Authorization of the 500 Coast Guard personnel for deployment aboard Navy ships did not address hardware. However, the fiscal year 1986 Coastal Defense Augmentation Account [CDAA] contained $375 million for Coast Guard hardware, as part of the Navy's appropriations. The Senate and conference reports on the fiscal year 1986 urgent supplemental appropriations bill provide for the following items to be purchased from the CDAA:

Medium range recovery helicopter replacements (3)	$41,000,000
Service life extension of buoy tenders	14,100,000
C-130 aircraft (3)	54,000,000
C-130 search radar [FLAR]	44,500,000
110-foot patrol boat replacements	112,000,000
Subtotal: Approved Navy funding	265,600,000
Transfer to CG fiscal year 1986 AC&I appn	21,250,000
G-R-H sequestration	11,510,000
Pends designation by Congress	76,640,000
Total	375,000,000

PERSONNEL INCREASE

Senator STEVENS. I have a question on equipment, too, but go ahead, Senator.

Senator D'AMATO. Mr. Chairman, I think that in your initial questions you went right to the heart of the matter. We talk about the reorganization. I am planning to offer an amendment to the Department of Defense Authorization bill with Senator Nunn to permanently authorize the program for the 500 in Coast Guard personnel.

Admiral, let me ask you this. Senator Stevens asked what do you need in terms of manpower, et cetera, to be able to make this program

the kind of program that you can say is effective, we have all the resources necessary?

I think there comes a point in time when people in your position have to say this is what we need, this is the bottom line. There may be some at OMB and other places who will get upset about it.

I would like to hear from you, and also from the Navy, in maybe a brief outline form the kind of support you are going to need. We want to make this an effective program. I get little pieces. When we ask for information, there are various times when you ask the Navy why they are not ready. If the Navy asks you, you do not put people together. Something is missing.

What do we need?

ADD-ON IN BUDGET

Admiral YOST. Let me put that into context. What you are intending, I think, is a delta, an addition to what the Coast Guard is currently planning to do. You want an add-on.

The Coast Guard came in with a budget last year of somewhere around $1.8 billion in OE. The result of that President's budget in Congress unfortunately was that the Coast Guard ended up with about $140 million below the President's budget.

The first thing we would need is the $140 million which we did not get in fiscal year 1986. We came in with a supplemental and got $35 million in the supplemental which put us a little over $100 million under what we really need.

In addition to that, you would like to add $15 million and 500 people. I cannot comment on that, as you know, from the administration's point of view.

What I can comment on is what happened to the $105 million that I needed to begin with. Even after I got your $15 million for LEDETS, I was still $105 million down from the President's budget. That is what I need. I need the President's budget. I needed it in 1986. I beg you to give it to me in 1987. That is what I need.

PRIORITIES

Senator STEVENS. I have to tell you that the budgets are being cut all over the place. We are going to set the priorities for use of your funds. You are an old friend and a great friend of mine, Paul, but we did not have the money to do that.

We set the priority higher for this activity than apparently the Navy and Coast Guard did. We are going to have to put it into law this time.

The chairman of the Subcommittee on Transportation and Appropriations is here. He did a marvelous job trying to rescue your budget last year. We did everything we could to do it. We have been told we cannot transfer Navy money this year unless it is authorized.

We are going to have to authorize that money. Both the Navy and Coast Guard will have to listen to us in terms of priority for use of this money. In Canada all of the Navy is considered Coast Guard assets in peacetime. If we have to approach that in this country, we will do it.

We want the Navy to understand that it is subservient to the Coast Guard in terms of the war against drugs and we want that to be done now. And we want to know how much will it cost. If it means stopping some of the exercises up in the North Pacific or out in the Mediterranean or anywhere else, we want them to understand we want the Navy assets to be used by the Coast Guard for this war on crime and drugs, primarily drugs.

That is what Senator D'Amato and I thought we had done last year. Apparently the message did not get through and we did not have the money released to you until March. I do not know what we are going to have to do. This time we mean it. If we do not get the action, we will have to take more drastic action with regard to the defense budget.

No one has supported the defense budget as strongly as this committee has over the years. We will continue to do it, but in this regard the American public wants to throw in all our assets, be they blue suits or white suits—Admiral, you are not in a white suit today, but it is that time of the year, you will pardon me—this concept of separation falls on deaf ears.

Even up my way where there is not much floating Navy, they still want to see that the Navy assets are used against the drug traffic. That is what we are trying to do and do it legally.

The Senator from New York has justifiably asked us to hold this hearing to ask why wasn't our intent carried out. You are telling us you did not get the money until this March. You are telling us there is no request for 1987.

As I said, his request for hearing is justified on the basis of that information alone. But we are going to have to get specific. With due respect to the Department of Defense and the Navy, Admiral Pendley, I believe that the Canadian practice is more preferable in peacetime, that we look at the problems we have now and the greatest war we have going on right now under our flag is the war against drugs.

Somehow or other we have to get that message to the whole executive branch that that is the number one priority of this Congress, I think. We thought we put up enough money. We transferred $490 million literally from the defense account to the Coast Guard, we thought.

We are going to have to find some way to mandate it. My good friend from North Dakota was totally cooperative in that, in the efforts of Senator D'Amato and Senator DeConcini. It was not a political matter. It was totally a matter of a political support from our committee.

I think we are frustrated in terms of how to get this translated into executive action on a real-time basis. Now, the Bolivian thing was wonderful provided I had not read about it in the paper before it took place.

DRUG PROBLEM AFFECTING ALL STATES

Senator ANDREWS. Mr. Chairman, let me point out part of the frustration we have.

It is pretty obvious that there is a Coast Guard presence in New York and in Alaska. There sure is not much in North Dakota, nor is there much of a naval presence in North Dakota.

We have a number of our people who have gained a good deal of prominence in key positions in the Navy and in the Coast Guard. But those of us in North Dakota and in the 49 other States are deeply concerned about this whole issue of drugs because they impact on our people as much as they impact on anyone else.

We want to find out why this lack of interest on the part of the Navy to cooperate. It is ridiculous for me to sit on the Defense Subcommittee and also to chair the Transportation Committee and see the Navy content, for instance, to fly around in their Grumman Junior AWACS planes. You put your people up there and they fly circles in the atmosphere, testing so that they are ready in case the big one goes up.

All we do is say, what the heck, put it under Coast Guard supervision and while you are flying with these planes, use them to interdict the planes and the ships and the rest that are bringing drugs in. Then instead of looking at artificial targets, you are looking at real targets.

We got the answer back in hearings that that would be too difficult, Mr. Chairman, because it would be difficult for the Navy people to live on Coast Guard bases. So, we thought of a hardship payment to live on a Coast Guard base. That did not work too well.

We have gone through this whole rigmarole. It would seem to me that the Navy assets, your Hawkeyes, your ships and the rest can be far better used in this fight on drugs. You get the same patrolling operation, you get the same experience for your radar crews.

I have been in Key West. I have gone down to see what the Coast Guard has done with their ships. Invariably, they are running 40-year-old ships. Invariably, there is a nearly new Navy vessel sitting at the same pier on the same refueling bill, and we cannot get it dedicated to the war on drugs.

Admittedly there is a sensitivity in the Caribbean about our naval vessels that are not there, about a vessel carrying a red stripe. As far as I am concerned, Mr. Chairman, we ought to paint more red stripes on naval vessels, call them Coast Guard right now, get them out there and get them to do what this Nation needs and get their training by actually doing something.

It is appalling to me not only that that money was not transferred. It is appalling to me that we have had fight after fight after fight. But also now, Admiral Pendley, as we review your budget request we find it does not include the $15 million to even continue this collaborative effort. This shows me, Mr. Chairman, that the Navy does not want to do it. They do not want to do what we have told them to do. They do not want to do what we insist they ought to do.

As I read the Constitution, the Commander-in-Chief is the President. The President is supposed to be able to say what the Armed Forces do. He has said time after time that the war on drugs is one of the most important things we are carrying out. Yet his military troops refuse to do what Congress tells them to do.

NAVY BUDGET REQUEST FOR COLLABORATIVE ACTION

What explanation, Admiral, do you have for not even having in your budget the request for the collaborative action?

Admiral PENDLEY. I think the explanation is a very simple one. The Navy does not normally fund spaces in the Coast Guard. They fund spaces within the Navy.

Senator ANDREWS. When we give you the money to fund spaces in the Coast Guard and tell you to do it, don't you get the hint?

Admiral PENDLEY. We did that. We did not consider that as a long-term requirement for the Navy to fund spaces within the Coast Guard. We assumed that would be put within the normal Coast Guard budget.

Senator ANDREWS. Speaking of assumptions, Admiral, how can the Coast Guard assume the positions but not have any money to pay for it? Is there magic? Do you have some smoke mirrors around there that those of us from landlocked States do not have?

Admiral PENDLEY. There is not any magic. This is not the same as equipment transfer related to readiness, et cetera. You are funding actual personnel spaces in another service that comes under the Department of Transportation. This should be normally part of their funded budget. It is a one-time event. I think the OSD position was that it was not normally to be funded within the defense budget; it would be within the Department of Transportation.

Senator ANDREWS. The Coast Guard is counting on that funding and the Nation is counting on something being done.

Admiral, you might not realize it, in fact, I think far too many of our friends in the military fail to realize, that we have a very real budget crunch on in this Nation. We are trying to help you find a way around.

We are limited in assets: We have spending in the transportation budget for highways, and we don't want to trade off air traffic controllers and partially shut down airports like Chicago because the Navy wants to blind-side us and not use the assets that they can use in helping the Coast Guard. That is a foolish way of resolving the problem this country faces.

In the long run the Navy will suffer because we simply do not have that money any more. We are giving you a way, quite candidly, to keep your ships going, keep your personnel by doing something productive.

You know, tooling around the water looking nice is great and being ready when the big one drops, fine, but it is not nearly as useful to this country as painting some red stripes on and having you do some of the duties of search and rescue, having you do some of the duties of drug interdiction and the rest.

I cannot understand why you resent so much doing that.

Admiral PENDLEY. Senator, I do not resent it at all. In fact, we have offered more ships than the Coast Guard has been able to take advantage of because it takes time to recruit and to train the people that are necessary to run these detachments.

NAVY OFFER OF SHIPS TO COAST GUARD

Senator ANDREWS. You mean they cannot run ships that you are willing to offer?

What difference does it make if you have a Navy person on a ship that will be painted back in the Navy colors, they get the same experience running, they get the same experience tending the machines, they get the same experience navigating it, but they are using it with the Coast Guard in the fight against drugs?

Admiral PENDLEY. We are doing that to the maximum extent possible. That is what I am saying, that we are doing it to the maximum extent possible. We offered 344 ships.

Basically the Coast Guard teams were able to handle 91 of those for a host of reasons. We are doing the best we can to make every ship that will be in those areas, that we can put in those areas, effective.

We do take some offense to the statement that we just steam around getting ready for the big one. I think we do a lot of things in the peacetime and the violent peace we are living in. The Navy is operating under a lot of priorities and operating at a very intensive pace. It has to maintain its readiness.

I do not think we have been reluctant in this. We have been forthcoming. We were in it before it became popular, as a matter of fact.

I really have to take some offense to the criticism. If there was a delay in the transfer of funds, I am sure it was not intentional. We did not get authority to transfer the funds until sometime in December with the continuing resolution. If we were late or the procedures were bad, I regret that.

I do not think that difference was a significant difference in the time it has taken to train and put these people on ships. We are doing as much as we can.

TRANSFER OF NAVY ASSETS TO COAST GUARD

Senator ANDREWS. Our subcommittee with the cooperation of the chairman of this subcommittee began the movement of transferring Navy assets and Navy money and the rest to the Coast Guard some 3 years ago, far before, as you say, it became popular because it seemed to us to be a cost-effective way of doing it.

We take a look at some of the other superpowers and see how they are using their military assets to help in the civilian structure of their country. We think it is cost effective. We think it gives you the same training advantage and it would make a lot of sense.

I would appreciate it, Mr. Chairman, and I do not want to take further time, but I would appreciate it if the Navy would provide for the record at this point the detailed listing of the ships you offered and the other backup, personnel you offered to the Coast Guard.

[The information follows:]

SHIPS MADE AVAILABLE FOR USCG EMBARKS

Question Provide a detailed listing of the number of ships offered and a list of the other back-up personnel you offered.

Answer The following is a listing of the Navy ships operating in a drug interdicition area/and made available for embarkation of Coast Guard Law enforcement Teams.

USS YARNELL
USS DALE
USS DANIELS (2)
USS BELKNAP
USS WAINWIRGHT (2)
USS BAINBRIDGE (2)
USS VIRGINIA (2)
USS PETERSON
USS SPRUANCE
USS EDSON
USS BRISCOE (2)
USS STUMP (2)
USS CONOLLY (2)
USS MOOSBRUGGER (3)
USS HANCOCK
USS NICHOLSON (2)
USS RODGERS (3)
USS OBANNON (3)
USS THORN (2)
USS HAYLER (2)
USS SAMPSON
USS KIDD
USS SCOTT
USS SELLERS (2)
USS CONYNGHAM (3)
USS SEMMES (2)
USS BYRD (2)
USS FARRAGUT (2)
USS LUCE
USS MACDONOUGH (3)
USS COONTZ (2)
USS KING
USS DAHLGREN (2)
USS PRATT (3)
USS ADAMS (2)
USS J. KING
USS LAWRENCE (2)
USS RICKETTS (2)
USS MCDONNELL (3)
USS BRUMBY (2)
USS VOGE (2)
USS KOELSCH
USS CONNOLE (2)
USS SIMS (2)
USS PATTERSON
USS VREELAND (2)
USS BLAKELY (2)
USS TRIPPE (2)
USS HEWES
USS BOWEN
USS MONTGOMERY (3)
USS MCCANDLESS (2)
USS MILLER
USS HART (3)
USS PHARRIS
USS TRUETT (3)
USS GLOVER (2)
USS MORISON (2)
USS ESTOCIN
USS SPRAGUE
USS ANTRIM (3)
USS FLATLEY (3)
USS GROVES
USS STARK (2)
USS HALL (3)
USS FITCH
USS UNDERWOOD (2)
USS DOYLE (3)
USS HALYBURTON
USS KLAKRING (2)
USS NICHOLAS (3)
USS BRADLEY (3)
USS TAYLOR (2)
USS CARR (3)
USS HAWES
USS ELROD (3)
USS SIMPSON (2)
USS ROBERTS
USS TALBOT (2)
USS MCINERNEY (2)
USS PEGASUS (3)
USS HERCULES (3)
USS TAURUS (3)
USS AQUILA (3)
USS ARIES (3)
USS GEMINI (3)
USS RALEIGH
USS INCHON

USS IWO JIMA
USS GUAM (2)
USS PENSACOLA (2)
USS NEWPORT
USS SUMTER (2)
USS SAGINAW
USS SPARTANBURG COUNTY
USS FAIRFAX COUNTY (2)
USS HARLAN COUNTY (2)
USS PLATTE (2)
USS CANISTEO (2)
USS MILWAUKEE (2)
USS OPPORTUNE (2)
USS RECOVERY
USS SAFEGUARD
USS GRASP
USS KITTIWAKE (2)
SPECIAL BOAT UNIT 2
USS LEAHY (3)
USS GRIDLEY (3)
USS ENGLAND (2)
USS HALSEY (3)
USS JOUETT (3)
USS HORNE
USS STANDLEY (3)
USS TRUXTON
USS FOSTER (2)
USS KINKAID (3)
USS HEWITT (3)
USS ELLIOT (2)
USS RAY
USS YOUNG (2)
USS OBRIEN (2)
USS MERRILL (2)
USS INGERSOLL
USS FIFE (2)
USS FLETCHER (3)
USS CALLAGHAN (2)
USS CHANDLER (3)
USS ROBISON (2)
USS HOEL
USS BUCHANAN
USS BERKELEY (2)
USS GOLDSBOROUGH
USS WADDELL
USS WILSON (3)
USS MCCORMICK
USS BRONSTEIN (3)
USS BRADLEY (3)
USS DAVIDSON
USS SAMPLE
USS DAVID (3)

USS OCALLAHAN (3)
USS ROARK (2)
USS GRAY (2)
USS HEPBURN (2)
USS RATHBURNE
USS MEYERKORD (3)
USS LANG (2)
USS REASONER
USS STEIN (2)
USS SHIELDS (2)
USS BAGLEY
USS DOWNES
USS HOLT
USS FANNING (2)
USS COOK
USS BREWTON
USS BARBEY (2)
USS PHILIP (2)
USS SIDES (2)
USS MOORE
USS PULLER
USS COPELAND (2)
USS TIGDALE (2)
USS REID (2)
USS JARRETT
USS CURTS (2)
USS THACH (2)
USS RENTZ (2)
USS VANDERGRIFT
USS GARY (2)
USS FORD (2)
USS BROOKE
USS RAMSEY
USS SCHOFIELD
USS WADSWORTH
USS TARAWA
USS MOBILE
USS JUNEAU
USS OGDEN
USS DENVER
USS ALAMO
USS ANCHORAGE
USS GERMANTOWN
USS FREDERICK (2)
USS TUSCALOOSA
USS BRISTOL COUNTY
USS MAUNA KEA
USS CAMDEN
USS SAFEGUARD
USS PIGEON (3)
SBU 13

SHIPS OFFERED TO COAST GUARD

Senator ANDREWS. I would hope, Admiral Yost, you could also include why you could not make use of 344 ships. In other words, they offered, from what I just heard, four times the number of personnel, vessels, and the rest than you were able to make use of.

I would like to find out some of those answers because we go into the markup on that bill on Tuesday.

Admiral YOST. I would like to respond to that now.

The Navy offered us 344 ships for which we were very much appreciative. We used 91 of those. The reasons that we did not use the rest of them were several.

One, more than one ship in the same area at the same time, 84 occurrences. Eighty-four instances where there were two ships in the same area. We only manned one of them.

Scheduled transits too short due to defense commitments. There were six times when their transits were fast and short and it did not make any sense to put law enforcement detachments on them.

Some vessels were alternatives to original nominees. Fifteen occurrences where there was an original nominee and then there was an alternate.

Changes in schedules, canceled nomination or altered to the extent it was no longer of law enforcement benefit, 43 occurrences.

There were then 48 occurrences where there were prior commitments to the law enforcement teams to other special operations.

Those are the ones that are critical. Those are the ones that would have been done had we had the full 500 people onboard. We would have been able to make those 48.

Senator ANDREWS. Why didn't you have the full 500 people onboard?

Admiral YOST. We did not get the money until March, a little less than 4 months ago. We are now recruiting and training. We have onboard something less than 500. We hope to have 300 by the end of this year.

Senator ANDREWS. Why did that 500 have to be all new recruits? Why didn't you transfer from the regular Coast Guard over there to do it in a hurry and fill up with some Navy people?

Admiral YOST. We did, sir.

FAILURE OF COOPERATIVE EFFORT BETWEEN NAVY AND COAST GUARD

Senator ANDREWS. What you have just told us sounds to this individual more as a litany of being unable to cooperate.

You know, the Coast Guard states that position; the Navy states another position, but this did not get done. If there is some way, and we will figure it out, I am sure the Senator from Alaska, chairman of this subcommittee, and I will find some way of putting the blow torch firmly enough on your collective tails so that you do move and you do eliminate some of these bugs, or whatnot, that are coming along.

My God, half of the need we have in any military operation is to be able to move swiftly and properly and get done what needs to get done. We know what needs to get done.

We are giving you the tools to do it and we are sitting 2 years later finding out you are not doing it and you are not even asking in the budget for next year the funds to continue the collaborative effort.

Your testimony points out it is not there because of a lack of cooperation, caused by all of these things that you point out, including your inability to use the ships the Navy made available to you. If they transfer them to you with a lack of personnel or lack of something else, that would make the story different.

We have been down to Key West and other places listening to testimony of the Coast Guard year after year. You talk about the great job that needs to be done out there, the great challenge, you talk about how you use some of your assets in trying to find debris after the tragedy that hit our space shuttle, using up all these assets. But then when we hear you have had an offer of 300-plus vessels from the Navy, you begin to utilize 91, we are wondering where is the drive, the ingenuity we imagine should be there.

Admiral YOST. You misunderstand me, sir.

POSSE COMITATUS

Senator STEVENS. That all happened about the same time that the Taiwanese threat started, stealing salmon from the North Pacific and at the same time we faced severe problems in the Pacific in terms of fishing problems and those of us who are interested in that are building a fire under the admiral to get more people out there to do more interdiction of those fleets and to protect us against the increasing menace of nets on the high seas.

I think the problem is under our sea system we keep the Coast Guard at minimum level in peacetime and it is a wartime asset in wartime.

We keep the Navy under the Posse Comitatus Act so that they cannot be used, those assets cannot be used legally. The problem is not these gentlemen, it is us. Congress has decreed that war assets are designed to fight and the Navy cannot be used in peacetime to be involved in civilian law enforcement. We have to face up to that question in terms of whether or not we can afford that any more.

We can do it in this committee. We can say here is money for flying hours, here is money for steaming hours, and money for all these other things, but only a certain percentage of it can be used other than in drug enforcement activities. I do not know whether we can go that route yet because some smart lawyer downtown will say you cannot do it because of the Posse Comitatus Act.

The country has to face up to the concept of Posse Comitatus. It does not hurt me that the Navy is used directly flying the Navy flights, going after the drug smugglers. That is the problem. The problem is should we be so lily pure that we only use the Coast Guard in dealing with these guys who are destroying the fabric of our country.

That is the No. 1 issue that will come out of these hearings, in my opinion.

WEST COAST FISHING PROBLEMS

Senator ANDREWS. You are saying there is need for more Coast Guard assets on the west coast as well. You have a problem with the fishing industry and the rest.

My point is they were offered four times as many vessels from the Navy as they were able to utilize. With the emergency not only in the drug interdiction, but what you just mentioned, they should have been innovative enough to find ways of using those vessels.

Hopefully, we can get to the bottom of it and find out how to get it done.

Senator STEVENS. I go further than that. If we are going to go to war on drugs, let us send the Navy against traffickers.

Senator D'AMATO. Mr. Chairman, they are hiding behind the posse comitatus. It comes down to Secretary Weinberger and some of the admirals and generals and the Navy and the Air Force who do not like the mission of fighting drugs. They do not want it.

We have Colonel Pothier whose position is Acting Director of the Department of Defense task force on drug enforcement. I think it would be interesting to find out what he has done to attempt to coordinate these activities.

If we are going to do something effectively, the military must be involved in utilizing its resources and coordinating them. Instead, they have done everything they can to duck out, and their big claim is look at this, look at the assets we made available. Of course, they did not make them available. The Congress ordered they be made available. They were brought kicking and screaming to do what little they've done.

What we have is society saying we have a total commitment to battle drugs and we have the military saying, well, we do not want to do that for a whole variety of reasons, including posse comitatus as one of the reasons. That is why we moved as we did. We said, okay, we will task the Coast Guard people so that we do not have any violation of posse comitatus.

When the military begins to send some of the messages to their favorite people in the Congress, yes, that is a mission to undertake, you will see some of the chairmen who will box these things, the old boy network, who say they want to do business as usual and do not understand we are involved in a real war for survival.

DRUG PENETRATION OF U.S. BORDERS

We have 19,000 planes flying drugs into this country, and we do not interdict more than 1 percent of them. I tell you it is a heck of a statement in terms of our military preparedness.

If drug trafficking can penetrate our borders, I am not so sure that anybody else could not penetrate the borders. We just continue to say, oh no, the Air Force should be involved in this, the Navy should be involved in this, the military.

What are you doing to coordinate the drug interdicting efforts on behalf of the military?

Colonel POTHIER. Drug traffickers are penetrating our borders below ground radar coverage. As I recall, in 1964 a conscious decision was made that from a military perspective, the air-breathing threat, that being aircraft, would be subordinated to the threat of missiles and the like.

Therefore, our air defense posture was reduced from 60 military radars to 6 and a large number of interceptor squadrons. This is a posture that has been supported by four administrations since the 1960's that we would have in peacetime an air traffic control system rather than an early warning defense system. We would look to AWACS to provide early warning when we get an indicator from intelligence that there is need to provide information for our improved defense posture.

The kind of fleet we are addressing today represents a criminal enterprise. It is a drug threat. Yes, it has national security implications. In that regard, we have the NSCD from the President. We are taking the view and providing the guidance to the military that our response to the needs of the Government of Bolivia does provide meaningful training value to our people.

For example, it gives our Army helicopter pilots and the crews that maintain them and the support people excellent training in sustained operations far displaced from normal supply distribution points in what may at best be described as austere conditions over unfamiliar topography. Excellent training for the kind of things that they could expect, for example, in a low-intensity conflict.

TACLETS

Another example with regard to TACLETS. The Navy has a requirement to position their ships in wartime to optimize the employment of their weapons. By taking TACLETS aboard, the tracking of these suspect drug vessels provides excellent training for that kind of positioning.

It also provides interoperability, the experience of joint operations between Navy and Coast Guard, in peacetime such that the Coast Guard personnel will be familiar with ship operations in wartime when they have to operate as a part of the battle task group, or even operating aboard Navy ships.

OPERATIONS IN BAHAMAS

We have two helicopters operating out of Nassau in the Bahamas since May 1983, airlifting Bahamian national police as provided in the law. These are Special Operations Forces helicopters. It is excellent training value for these crews to operate at night using night vision sensor devices over water in an area where there are little to no navigation aids available for these crews.

We are taking the view within the Department that the support to the drug enforcement effort does have some residual training benefit. That is the posture we have taken, Senator.

Senator STEVENS. Why cannot it be your duty? Why does it have to be training. You are coordinating an effort that has reached the proportions of real war. We have evidence in terms of the amount of drugs in this country now that indicate what even the President says, as I understand his last statement, all our efforts so far have not really dented the problem of drugs coming into this country.

I believe he is right. Why do we have to justify your activity solely on the basis of training?

As I understand the budget for this subcommittee, there is not one dime that has been asked for by your Department to support this activity for the next year. We again are forced to fight with every other committee dealing with the Defense Department in order to start that thing again and keep it going for next year.

Why should that be the case? Our committee was literally tarred and feathered 18 months over the question of authorized and unauthorized appropriations and the bulk of them are in this area right here. We took hell from everyone involved in the Defense structure, both downtown, across the river, and in Congress, over unauthorized appropriations.

We are talking about the money we asked for the Coast Guard.

Senator D'AMATO. Let me suggest it is almost a conspiracy. I tell you why. We say use these dollars in the war against drugs and use this equipment in the war against drugs. We have those behind the scene in the Department of Defense who then go to the authorizing committee and say, "You know, the Defense Appropriations Committee is subject to your authority on what you are doing. Rile them up."

So that we have tremendous battles, and you sit back so that these dollars are not used. You do not want to become involved in this battle. If you tell me you are the coordinator and it was not even an attempt to see what happened to that $15 million—$15 million, what a pittance.

Senator STEVENS. Easy now. It is still a lot of money. It is not a lot of money compared to $292 billion.

Senator D'AMATO. It is not a lot of money compared to what the drug dealers in the South American countries annually spend. We are saying to $15 million to help utilize the vast array of technical equipment and fire power that we have available.

Colonel, you did not see to it that it was increased in one of the budgets.

Senator STEVENS. It was approved last October.

Colonel POTHIER. It is my understanding the language within the Defense authorization bill appropriated that money for fiscal year 1986 and not 1987 and 1988.

Senator D'AMATO. Should the plan be continued with the 500 people you are tasking?

Colonel POTHIER. That is a good plan.

Senator D'AMATO. Who is going to fund it then? Is that not your responsibility as the acting person? It is supposed to be funded. What commitment are you making?

Let me suggest to you—do not take it personal—but you are really not committed to the war on drugs, absolutely not. It was one of the first things that would have popped up. My gosh, we have to ask for this $15 million to be budgeted?

Colonel POTHIER. If I may comment to the fact that we are not committed, I would submit that our involvement is reflected in the fact that in this fiscal year alone the Navy has expended over $18 million in ship steaming hours during which TACLETS were aboard to provide that kind of support you are looking for, Senator. That is more than $15 million.

Senator D'AMATO. That is not the kind of commitment that will ever win this war. Nor do I suggest just interdiction and use of the military in and of itself is going to be the whole answer. I understand that. Nor am I attempting to say that you, the military, are the total answer.

Let me tell you something, however. It is substantially a more important war than our having to lead you, beg you, control you, embarrass you. Let me tell you, we deserve to be embarrassed, not as people, but in terms of the Nation, saying we are fighting a war when we are not committing the kind of resources necessary when we see the danger.

You talk about threats. Look at the neighborhood. See the young people we are losing. You hear about the Len Biases and the Rodgers, but what about the 10,000 youngsters we are losing? What about the millions of Americans who are victimized because their neighborhoods are hell holes because you have addicts who run on the streets and commit 50 percent of the crimes nationwide.

Maybe we have to look. It is not a conventional war. It is a different war than you have been told in the academies and in the Army and in the Services over the years, but nonetheless, it is a virulent, dangerous war that is being waged. We need your help. We need your total involvement. Of course, we need the other aspects, the education, prevention and strong civil law enforcement here in terms of our courts, and the international aspects when we have the Bolivian Ambassador.

I am not impressed when you tell me you had 18 million hours of steaming. I am not impressed at all because you see there is much more at stake.

I just think, Mr. Chairman, that we are just going to have to hold their feet to the fire. Maybe it takes a Secretary of Defense who really feels there is an important mission, not only when it becomes a hot political issue for the day to issue operation HAT TRICK II or III, or whatever it is.

We are not waging a war, absolutely not. It is being waged against us, but we are not using the resources we have available. That is why I asked for this hearing to be held. Obviously, one thing comes out of it.

We are going to see at the very least that we commit those dollars that the Navy comes forward with them, so that the admiral, with his scarce resources, can continue that program.

I thank you, Mr. Chairman.

Senator STEVENS. Thank you.

BUDGETING FUNDS TO DOD FOR ANTIDRUG PROGRAMS

Well, Colonel, again there is nothing personal about this, you know that. Carry the message to the Department of Defense that the subcommittee is disturbed. We are in a position of asking for unauthorized money.

It would have been very simple to include a request in the Navy's 1987 budget to continue with this $15 million. If it had been there, we would not have to go uphill. I feel sometimes like we are like those Alaska salmon that go 3,000 or 4,000 miles each year in order to try to do their job. We have to do it again, I guess, from what I have heard here today.

Somehow we have to find the money to continue, and we will, we will tell you that, Admiral. We will find it some way. You will have the money. If we have to put a reservation on these monies that are provided to the Navy for these accounts that they cannot be spent unless they are spent in support of the activities of the Coast Guard, we will do that.

I do not like to do that because I think again it ought not to be possible. I do not think the Navy right now ought to be spending any money on training that is not somehow related to this massive activity. I would like to see some film clips next year of some helicopters forcing some planes down coming across our border and really starting to use these AWACS in the way they could be used in peacetime to provide that supplement to our air traffic control which is the detention of illegal entrance.

Those people are not filing flight plans and if they are, they are filing false ones. I think somehow or other the whole thing has to come together.

As I understand what the President is saying, the President wants to see us stop that incoming traffic. I am sure you do, too.

Colonel POTHIER. We do, too, Senator.

Senator STEVENS. We have one more witness. We would like to hear from Mr. Heffernan.

I want you to know that I understand you cannot suddenly produce 500 people who are trained and leave all of the Coast Guard installations denuded.

MILITARY PERSONNEL COMMITTED TO DRUG PROGRAM

At the same time, you have your 500 people now, do you not?

Admiral YOST. We have money for 500 spaces. We have transferred some of the existing, experienced people into these spaces by stripping other units. We hope to have something less than 300 by the end of this year and the full 500 by 1987 or 1988.

Senator STEVENS. Provided we continue the $15 million base?

Admiral YOST. Provided the $15 million base is committed. I would have to say as well, Senator, with fear of repeating myself, that I inherited a Coast Guard 30 days ago with over $100 million in backlog of repairs and deferrals.

FULL ADMINISTRATION REQUEST FOR DEFENSE NEEDED

It is nice to get the $15 million earmarked, but without the full President's budget, I have a very difficult job of again trying to find any savings next year. Everything was taken out of the cupboard. There are no spare parts. The maintenance is down, $100 million worth of backlog.

I hope, as well as getting the follow-on for the $15 million, that we get the President's budget so that I can, at least, not go further into the backlog, maintenance and other things.

Senator STEVENS. I understand. We fought that battle in the budget and lost that one. We have to find some way to get your money from somewhere else.

Admiral YOST. There are rumors we may have lost that in Coast Guard OE in allocation within the Appropriations Committee, that the Coast Guard OE operating funds may be impacted this year.

Senator STEVENS. They are already impacted by the budget. Senator Andrews has given us every dollar each year that the budget allocated. So that the budget process hits this committee and we cannot go and exceed it unless we go into the unauthorized basis again and that gets us all kinds of points of order against our whole bill.

We will do our best. Even if it means taking on the Armed Services Committee and Budget Committee, we are going to try to get you the money to continue this Coast Guard activity and get you the Navy support to continue it and to make this a more workable relationship.

I remember when I was a young district attorney and went to Fairbanks we did not have enough money to do the job we had to do. I asked for military people to come from the military police to help us in terms of total activities, a vast area, a tremendous amount of illegal activities going on in the area. That is when I first learned about posse comitatus, it would not be possible.

POSSE COMITATUS

So, we formed what we called a giant task force; the task force was military and U.S. marshals—I do not know if the FBI was in that or not—and the local police and that was the support group we had to have. We were constantly being told we were violating posse comitatus.

I developed a little distrust of posse comitatus 30 years ago and I still distrust it in terms of not using the assets to meet the needs we have to meet. If it takes assault on posse comitatus, I am ready to do that, too.

We thank you very much.

Admiral YOST. I assure you I will strip, and have for the last 2 years, the entire eastern seaboard of units, of men, in order to handle the drug problem in the Caribbean. I have done it for 2 years.

The Senator does not need to put a blowtorch to my rearend. I am already there. I am leading the charge and I will do it again. Units came out of New York for 2 years in a row. We will do that again this year, no matter what funding we get. We are going to pursue this drug thing as far as we can pursue it.

Any help you can give us, we will use and use it effectively. That is my plan.

Senator STEVENS. John Q. Citizen and this Senator do not understand why you have to strip the Coast Guard this way when the Navy has assets that they are willing to let you use. We will be back with you again, I can assure you of that. I hope we do not have to have a hearing like this again, but we will be working with you.

POSSE COMITATUS

Colonel POTHIER. May I add a comment as to whether we should revise posse comitatus or not?

I would argue that that is not necessary. For example, in 1982 the dollar value of DOD support of the war on drugs was $5.2 million. We estimate by the end of September of this fiscal year, we will have expended $40 million. We are providing support within the existing direction of Congress.

Senator STEVENS. Colonel, I would like to get you $292 billion for the Department of Defense. I share Senator D'Amato's feeling that is not enough. That $40 million is a drop in the bucket to what we need.

Frankly, that is not enough. We are going to have to find some way to force the Department to spend more money. We will have to do it. That is just not enough. I understand it is a lot more than was spent before you got to where you are and we congratulate you for that.

Thank you very much, gentlemen. We will be back with you, Admiral. We know you are out there in front. Our fishermen know there is a lack of some of your vessels. I tell them where they are. They say, "All right, but why can't we get more?" That we will have to do.

SUBMITTED QUESTIONS

The committee has additional questions. We ask you to respond to them for the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

Additional Committee Questions

Questions Submitted to Department of Defense

PHM HYDROFOILS FOR THE NAVY

Question We are interested in the fact that now, in the statements that are being provided to us, you are making greater utilization of those ships.

Answer The primary mission of the PHM is anti-surface warfare. These ships are homeported in Key West, Florida and presently assigned responsibilities for protection of sea lines of communication in the Caribbean. These ships were not originally intended to operate as part of a battle group; however, in 1985, these ships successfully participated in four large scale battle group exercises in the Caribbean. These ships are also used in support of drug interdiction. Their utilization in this role is based on their Key West location in proximity to U.S. Coast Guard, their ability to quickly leave port and proceed at high speed to an area of supported drug smuggling activity and the similarity of their wartime mission and the requirement to locate and, if possible, intercept water borne smugglers. This match is why a PHM with an assigned Coast Guard Law Enforcement Detachments is kept "on-call" continuously when in homeport.

HARDWARE PROCUREMENT

QUESTION: What, if any, hardware is being budgeted within the Navy to go along with some of these increased appropriations?

ANSWER: There is no Navy hardware currently being procured solely for the purpose of drug interdiction.

Questions Submitted to U.S. Coast Guard

COAST GUARD LAW ENFORCEMENT TEAMS

SENATOR KASTEN: Also, what do you recommend, in lieu of the 500 personnel, that would complement the Navy in their role of drug interdiction?

ANSWER: I am not advocating doing something else instead of

using the 500 personnel to enhance the TACLET program. On the contrary, I fully support this program. TACLETS have effectively provided a wide range of enhanced law enforcement capability to both Naval and Coast Guard units. Smugglers now must take precautions to avoid all Navy units, since they don't know when a Coast Guard TACLET may be aboard. This program continues to be an effective way to optimize the use of assets for National Security priorities.

However, I am frustrated by the constraints placed on the use of these 500 personnel. It would be a more efficient and productive use of these personnel resources to permit them to augment Coast Guard law enforcement efforts when they cannot be productively deployed aboard Navy ships. Their primary mission would be to provide 5-7 person boarding teams to Navy ships and related law enforcement activities, such as pre-cruise briefings, training, pre-flight briefings for patrol aircraft and observers on patrol aircraft. When not fully employed in Navy-related activities, these people could be used to support under-manned Coast Guard units in law enforcement activities. This would allow the most effective and efficient full-time use of additional personnel.

COAST GUARD LAW ENFORCEMENT TEAMS

SENATOR KASTEN: Admiral Yost, in your statement you point out that due to a number of reasons, the assignment of 500 military personnel to naval vessels cannot be a productive effort. Would you explain the rationale for this statement?

ANSWER: We have found Coast Guard augmentation personnel, or Tactical Law Enforcement Team (TACLET), to be a very effective program, and the key to effective use of Navy ships. Without them, the Navy would be hampered in their law enforcement assistance activities. Since the program began, Coast Guard TACLETS have made 27 drug seizures from Navy ships (six in FY 1985). However, effectiveness is reduced to some degree when naval vessels are assigned missions where law enforcement cannot take priority. Our best results occur during major operations, such as HAT TRICK, where Navy units are specifically assigned to operate with the Coast Guard.

The 500 additional personnel provided to the Coast Guard would be used for additional TACLET teams and for the minimum necessary support positions to train them, coordinate their activities, and conduct liaison with the Navy. It would not be effective to assign these 500 people permanently to Navy vessels as they would have little to do during long inport periods or cruises to places outside our area of concern. Additionally, as a result of Coast Guard operational experience during the last major joint operation, it has become apparent that restricting the use of 500 additional personnel solely to Navy vessels would significantly limit their potential effectiveness for several reasons:

- Placing Coast Guard teams on more than one Navy ship operating in the same area, such as convoyed ships, is unnecessary under most circumstances.

- Placing teams on Navy ships with a tight transit schedule would not permit time for boardings and would limit ability

to divert for identification and investigation of suspicious contacts.

- Although the Navy has offered ships to the maximum extent possible, the numbers of vessels available for productive patrols are restricted because of long range scheduling needs, scheduling changes, and short transits in productive law enforcement areas.

- The best results from the Navy have been during periods when Navy ships are operating independently in primary areas of interest, and when the Navy has provided dedicated ship time during planned special operations.

LAW ENFORCEMENT EQUIPMENT

SENATOR KASTEN: What, if any, hardware is being budgeted within the Navy Appropriations?

ANSWER: Authorization of the 500 Coast Guard personnel for deployment aboard Navy ships did not address hardware. However, the FY 1986 Coastal Defense Augmentation Account (CDAA) contained $375 million for Coast Guard hardware, as part of the Navy's appropriations. The Senate and Conference reports on the FY 1986 Urgent Supplemental Appropriations Bill provide for the following items to be purchased from the CDAA:

	($M)
Medium Range Recovery Helicopter Replacements (3)	$ 41.00
Service Life Extension of Buoy Tenders	14.10
C-130 Aircraft (3)	54.00
C-130 Search Radar (FLAR)	44.50
110-foot Patrol Boat Replacements	112.00
Subtotal: Approved Navy Funding	$265.60
Transfer to CG FY 1986 AC&I Appn	$ 21.25
G-R-H Sequestration	11.51
Pends Designation by Congress	76.64
Total:	$375.00

COAST GUARD LAW ENFORCEMENT TEAMS

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COAST GUARD LAW ENFORCEMENT TEAMS

SENATOR KASTEN: Also, what do you recommend, in lieu of the 500 personnel, that would complement the Navy in their role of drug interdiction?

ANSWER: I am not advocating doing something else instead of using the 500 personnel to enhance the TACLET program. On the contrary, I fully support this program. TACLETS have effectively provided a wide range of enhanced law enforcement capability to both Naval and Coast Guard units. Smugglers now must take precautions to avoid all Navy units, since they don't know when a Coast Guard TACLET may be aboard. This program continues to be an effective way to optimize the use of assets for National Security priorities.

However, I am frustrated by the constraints placed on the use of these 500 personnel. It would be a more efficient and productive use of these personnel resources to permit them to augment Coast Guard law enforcement efforts when they cannot be productively deployed aboard Navy ships. Their primary mission would be to provide 5-7 person boarding teams to Navy ships and related law enforcement activities, such as pre-cruise briefings, training, pre-flight briefings for patrol aircraft and observers on patrol aircraft. When not fully employed in Navy-related activities, these people could be used to support under-manned Coast Guard units in law enforcement activities. This would allow the most effective and efficient full-time use of additional personnel.

NONDEPARTMENTAL WITNESSES

CITY OF NEW YORK CRIMINAL JUSTICE COORDINATOR

STATEMENT OF CHARLES HEFFERNAN, DEPUTY CRIMINAL JUSTICE COORDINATOR, CITY OF NEW YORK

Senator STEVENS. Mr. Heffernan, Deputy Criminal Justice Coordinator, city of New York.

Good morning, Mr. Heffernan. This hearing is sort of impromptu, but we will be happy to hear from you.

Mr. HEFFERNAN. Good morning, Mr. Chairman.

Mayor Koch has asked me to convey to the subcommittee his appreciation of your convening this hearing and his apology for not being here. A problem that he has in New York on a managerial matter keeps him there.

Yesterday afternoon when I heard I would be coming, someone here associated with the committee told me it was that person's anticipation that sparks would fly today. I hoped that was correct when I heard that. I am not disappointed to say that indeed sparks did fly.

Let me first offer, with the subcommittee's permission, Mayor Koch's formal statement and his two letters. I submit to you that those two letters, two replies from the Coast Guard, dated May 8 and June 17, are the reasons I am here in behalf of Mayor Koch, the reasons that Mayor Koch has brought this issue to every Member of Congress in the form of a letter.

They are the reasons why Mayor Koch has written to the President of the United States on two occasions on June 7 and June 26 about this very issue. That is why we are here.

Mr. Chairman, beyond my role as representative of the Mayor, I shared an experience that you alluded to. Until 3 months ago I was prosecutor in New York City in Manhattan and had been for 14 years. For most of that time I did murder and narcotics. For more than 10 of those years I was assigned to the special narcotics prosecutor's office. And for nearly 4 of those years I was chief assistant.

As you did when you were prosecutor, I was trained to try a case clinically to see if we had a case and to seek to reach a just disposition. You and I were trained to make sure that we try to be clinical and not emotional in our resolution of the problem.

Now that I am no longer a prosecutor, I can look back at some of those experiences and tell you they wrench any sensitive individual. I simply wish to take a few moments to put some flesh on the bones of what drugs mean to America, not urban America, but to America.

PROFILE OF COCAINE DISTRIBUTOR

I can tell you over the last few years I was a prosecutor I noticed one thing that was more disturbing to me than anything else I saw. That was the profile of the large-scale cocaine offender expanded almost geometrically. By large scale, I mean someone who would be selling thousands of dollars of cocaine.

It was my experience that that person was someone who was college educated, someone who came up through life with advantages, someone who regularly did not have a previous criminal record. Someone who fashioned himself and herself as sophisticated and above the law and someone who, when caught, was able to fashion with the resources they had the best legal help, who was able to make the most equitable and appealing argument why that person should be treated fairly, in counsel's words, or leniently, in other people's words.

DRUG LAWS IN NEW YORK STATE

Our State has the strongest drug laws in this country. Since September 1, 1973 we have provided sentences for a variety of narcotics crimes. Though they were changed twice, we still have life sentences for the sale of comparatively small amounts of heroin and cocaine.

We now have, to put some texture to us, 37,000 people in New York State prisons. We have more than 12,000 in New York City prisons. Together that is five times the number of people who are in all Federal prisons across this country.

Last year my former office returned nearly 3,100 indictments, drug indictments. This year they anticipate 4,000. Last year the New York City Police Department made 56,000 drug arrests. Some 20,000 for felonies, some 35,000 for misdemeanors.

The New York City Police Department is an excellent force that is dedicated to using some 700 people in the narcotics unit to do a job, but they are failing and they are failing not for their fault, they are failing because not all avenues of address for narcotics interdiction are being used.

As Senator D'Amato pointed out, sir, no responsible person has the view that any single measure will do it. A week ago last Friday the Mayor proposed in testimony before another congressional committee a series of avenues of approach.

SECOND OFFENDERS

Senator STEVENS. How many of those people were second offenders?

Mr. HEFFERNAN. I do not have that at the ready, sir, but I can find that out for you. But I would submit a substantial percentage.

Senator STEVENS. When I was in the State legislature of Alaska, I put in a bill that required the death penalty for anyone convicted a second time for dealing in drugs. I still believe in that. We are going to have to turn to something like that.

Mr. HEFFERNAN. That is a proposal that the Mayor has proposed to every member of Congress that there be a Federal death penalty for drug wholesalers.

SPECDA

Let me tell you another thing about the narcotics problem in New York, not a problem in New York, so to speak, but as representative of where we are. There is an excellent two-part program in our city called SPECDA. It is an acronym for Special Program to Educate Controlled Drug Abuse. It is directed toward schools. It is a bipartite twin program performed by the police department and the board of education. It has an enforcement component and it has an education component.

The enforcement component for the school year just completed produced some disturbing results. In the areas in and around 343 selected schools in our city there were more than 3,500 narcotics arrests. Barely 3 percent of the people arrested were students. Sixty-three percent of those arrests occurred around elementary schools. Forty-four percent of those arrests were for cocaine. Cocaine is the drug that afflicts us now. Not just New York, it afflicts us all.

What that says to me and what I think it says to any person is that drug dealers no longer are hanging out in sinister sections of the city seeking to hook anyone that is coming along. They are going out and doing it in the most vulnerable areas of society. They are trying to hook children. This happens everywhere.

The mayor has said in a previous set of remarks that New York does not have the drug problem, nor Los Angeles, Hawaii, Anchorage, or Seattle; America does.

POSSE COMITATUS

Why we are here today is that last year and again in 1881, the mayor was down before you and lobbied extensively for repeal of posse comitatus. He did not succeed. As you know, last year there was some movement, some movement he recognized as helpful.

I was unclear. I came here rather under a misimpression. The impression was a product of letters I received from the Coast Guard. The first letter said essentially they had not done anything because they were uncertain that it would be re-funded.

The second letter says that because the money appeared to be in the President's fiscal year 1987 budget, that they were going forward and they would phase it in over 3 years.

Until Admiral Yost concluded his remarks today, I was uncertain whether they had done anything and whether they intended to continue. You have hit the issues directly on point.

I urge you on behalf of the city of New York and on behalf of all of America to stay resolute in your quest and Senator D'Amato's quest to get those answers, to find out why it is not being done, to see that it is done.

ACTIONS AGAINST DRUG DEALERS

As you know, what is happening is if it fails to be interdicted when it comes, it explodes into a package. Let me give you an example of what happens when those multi kilo packages are broken down to the level you see on the street. Let me give you an illustration of how much in terms of public resources are directed at this.

Someone selling a small street level buy results in the following: There is a complaint to the police department. There is initial surveillance. Then there is a commitment of a team of police officers, routinely four, perhaps more, to go in and make those purchases with the attendant danger to any undercover officer.

When the arrest is made, whether it is made immediately or later, that defendant or those defendants are processed and taken to court with a large amount of public commitment in terms of temporary incarceration, processing and the like.

Defendant is taken to court where a judge must make a bail determination. In some places that determination is compounded by the availability of local resources. Thereafter, the case goes to the prosecutor for determination whether or not an indictment should issue. If it does, a grand jury hears the matter. In many States if a grand jury returns an indictment, then, as you know, a series of motions happen which have to be heard and resolved before the case is tried or pleaded.

Each one of those things results together in a substantial amount of public resources. If the narcotics could be stopped at the point when they cross the border, much of that could be avoided.

The mayor remains willing to work with you. The mayor takes the President at his face value when the President said in April of this year in a National Security Decision Directive that international narcotics poses a national security threat.

Mr. Chairman and members of the committee, I appreciate the opportunity you have provided me to testify today. Mayor Koch remains willing to work fully with you in any cooperative way to see that this vital job for America gets done.

Thank you.

Senator STEVENS. Mr. Heffernan, you carry back to the mayor our thanks for your appearance today. We understand he has problems up there. I have met him and Senator D'Amato has told me about his relations with him and good working relationship we have had in terms of these activities on a nonpartisan basis.

POSSE COMITATUS

Your mayor is my kind of guy. I feel the way he does about posse comitatus, as you can tell, and we face that fight every year in terms of what we can and cannot do with the assets of the Federal Government that we have jurisdiction over in terms of the military assets.

We are going to have to keep that up so that more and more people understand. I understand we cannnot bring units back from Europe that are on the line over there in NATO to be involved in this activity to protect our shores here, yet the day may come when we will have to do it. But we have not made that request and we are not at that point yet.

We think that assets that are here, that are related to the coastal defense of this country, ought to be dedicated to this war against narcotics. We tried to do it last year. You have heard we have not quite

succeeded yet, but we are going to keep pressing on and trying to make it successful.

Your Senator here, if he has been lighting a fire for anybody, it is me. If I show this irritation, it is to his credit.

Senator D'Amato.

Senator D'AMATO. Thank you, Mr. Chairman.

Let me say to Mr. Heffernan we are pleased to have you as deputy coordinator to criminal justice. The mayor has shone well. A firstline prosecutor like yourself understands the nature of the problem.

I want to share with you the fact that, number one, I believe without the mayor's constant movement in the area, prodding, bringing to the attention of those of us in the Congress and throughout the Nation the necessity for bringing about a total mobilization, utilizing the assets of our military for interdiction, that even the little that we have been able to accomplish would never have been.

ADDITIONAL ACTION REQUIRED ABOVE MILITARY COMMITMENT

So, please extend to the mayor my sincere appreciation for his efforts; they are tireless. Sometimes we lose track. No one again says the use of the military in and of itself will stem the flow of drugs into this country, but I think we can certainly be much more effective than we have been where we interdict maybe 2, 3, or 4 percent of the total drugs. Certainly we can make it much more dangerous for those who traffic them.

Certainly we can provide our local law enforcement officials with better intelligence so that they can be more effective. And certainly there is a lot more to be done in the areas of education, rehabilitation.

ADDITIONAL PRISON SPACE

I think it is important that we also focus on something that most citizens do not care about. We send out some questionnaires asking, "Would you build more prisons to put dangerous prisoners in?"

If you were to read the answers that the constituents send back, it is "No, kill them, send them to Devil's Island. Why should we spend hundreds of thousands of dollars to house them?"

There is a litany of responses like these. They want crime solved, and one of the pressing problems that we have nationally, and we had better understand it, is the fact that there is a total inadequacy in terms of the number of prison cells for those who every reasonable person would say should be incarcerated. So, we have a terrible, terrible situation.

New York, unfortnately, probably epitomizes that problem to a greater degree than any other area in our country where repeat offenders, Mr. Chairman, who sold drugs, not twice, not three times, but dozens of times, are serving little, if any, sentences: 30 days, 60 days, 90 days. Not because they cannot try the cases. It is because the bottom line is that there is insufficient space in which to place them.

That is one of the great problems that we must resolve. I think we have to look at this in totality. We have to come to grips with it. When we put a person who absolutely there is no doubt should be incarcerated back out on the streets, we destroy that fabric of our society which is the rule of law.

What is happening to the young people in the neighborhoods who see the dealer back out on the street? The drug dealer is arrested, and he is back on the street the next day. If he is sent away, he is sent away for 30 days. He earns thousands of dollars. He becomes the role model in many of these communities.

By the way, we encourage him because even if he is caught, arrested, and convicted, the chances of his serving any long time are minimal, minuscule. It is one of the problems we face not only in New York but throughout the Nation.

I thank you for coming. Please give the mayor our regards and tell him when we have our next hearing we look forward to his testifying.

Mr. HEFFERNAN. As you know, Senator, this record should indicate that in our own State, I believe 3 years ago, the State provided a prison bond amendment.

Senator D'AMATO. People turned it down.

Mr. HEFFERNAN. It was voted down in our own city. We have cells for almost 13,000. That has increased by 5,000 since about 4 years ago.

Finally, the picture is not quite as bleak as it could be painted in all regards because of those people indicted in 1985 in New York County on special narcotics, 92 percent of them were convicted, 66 percent of them went to jail, many of them for lengthy prison terms. That is no relief to the general problem that exists countrywide.

Thank you.

Senator STEVENS. Thank you very much, Mr. Heffernan.

SUBCOMMITTEE RECESS

That completes this hearing. The subcommittee will stand in recess until Thursday, August 7, when we will receive testimony from the Department of Defense on expenditure rates, rates of expenditure of 1986 funds.

[Whereupon, at 11:40 a.m., Wednesday, July 30, the subcommittee was recessed, to reconvene Thursday, August 7, 1986.]

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